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1. Member List of the Study Team

(1) 1st Field Survey (from October 9, 2010 to November 27, 2010)

	Name	Job Title	Organization
1	Mr. Shigeki FURUTA	Team leader	Japan International Cooperation Agency
2	Ms. Fumiko AKAISHI	Planning management	Japan International Cooperation Agency
3	Mr. Yukio KATAYANAGI	Chief consultant / Facility planning / Equipment planning	Kokusai Kogyo Co., Ltd.
4	Mr. Kentaro KIMURA	Facility design / Natural condition survey	Kokusai Kogyo Co.
5	Mr. Kiyohide KASUGA	Food storage planning / Operation planning	Kokusai Kogyo Co.
6	Mr. Hiroshi FUJITA	Maintenance planning / Construction and supply planning	Kokusai Kogyo Co.
7	Mr. Kenji SHINODA	Cost estimation	Kokusai Kogyo Co.

(2) 2nd Field Survey (from January 4, 2011 to January 21, 2011)

	Name	Job Title	Organization
1	Mr. Kunihiro TOKIDA	Team leader	Japan International Cooperation Agency
2	Ms. Fumiko AKAISHI	Planning management	Japan International Cooperation Agency
3	Mr. Yukio KATAYANAGI	Chief consultant / Facility planning / Equipment planning	Kokusai Kogyo Co.
4	Mr. Hiroshi FUJITA	Maintenance planning / Construction and supply planning	Kokusai Kogyo Co.

(3) 3rd Field Survey (from April 24, 2011 to May 21, 2011)

	Name	Job Title	Organization
1	Mr. Koji MAKINO	Team leader	Japan International Cooperation Agency
2	Mr. Kazuyuki IKEDA	Planning management	Japan International Cooperation Agency
3	Mr. Yukio KATAYANAGI	Chief consultant / Facility planning / Equipment planning	Kokusai Kogyo Co.
4	Mr. Kiyohide KASUGA	Food storage planning / Operation planning	Kokusai Kogyo Co.
5	Mr. Kenji SHINODA	Cost estimation	Kokusai Kogyo Co.

(4) Explanation of Draft Outline Design (from October 12, 2011 to October 19, 2011)

	Name	Job Title	Organization
1	Mr. Koji MAKINO	Team leader	Japan International Cooperation Agency
2	Ms. Arisa KIKUCHI	Planning management	Japan International Cooperation Agency
3	Mr. Kazuyuki IKEDA	Cooperation planning	Japan International Cooperation Agency
4	Mr. Yukio KATAYANAGI	Chief consultant / Facility planning / Equipment planning	Kokusai Kogyo Co.
5	Mr. Kentaro KIMURA	Facility design / Natural condition survey	Kokusai Kogyo Co.

2. Study Schedule

(1) 1st Field Survey (from October 9, 2010 to November 27, 2010)

No	Date	Day	JICA		Consultant				Cost Estimation	
			Team Leader	Planning management	Chief consultant / Facility planning / Equipment planning	Facility design / Natural condition survey	Food storage planning /Operation planning	Maintenance planning / Construction and supply planning		
			Mr. FURUTA	Ms. AKAISHI	Mr. KATAYANAGI	Mr. KIMURA	Mr. KASUGA	Mr. FUJITA	Mr. SHINODA	
1	9-Oct	Sat	Narita to Singapore, Singapore to Dhaka			Narita to Bangkok		Narita to Singapore, Singapore to Dhaka		
2	10-Oct	Sun	Meeting with JICA, Courtesy call to EOJ, Meeting with Ministry of Food and Disaster Management (MoFDM), Meeting with Economic Relations Division (ERD), Ministry of Finance			Bangkok to Dhaka	Parboiled rice survey	Meeting with JICA Courtesy call to EOJ, MoFDM and ERD		
3	11-Oct	Mon	Meeting with MoFDM, Directorate General of Food (DG Food), MoFDM, Bangladesh Railway, Ministry of Communication and ERD (Explanation and discussion of ICR, Confirmation of implementation system and framework, Confirmation of items to be borne by the Bangladeshi side, Project planning policy)			Preparation for natural condition survey		Bangkok to Dhaka	Meeting with MoFDM, DG Food, Bangladesh Railway, Ministry of Communication and ERD	
4	12-Oct	Tue								
5	13-Oct	Wed								
6	14-Oct	Thr	Signing on Minutes of Meeting, Dhaka to Singapore		Signing on Minutes of Meeting	Market survey	Construction planning survey			
7	15-Oct	Fri	Singapore to Dhaka							Narita to Bangkok Bangkok to Dhaka
8	16-Oct	Sat	Internal meeting							
9	17-Oct	Sun	Material review							
10	18-Oct	Mon	Dhaka to Santahar, Visit to existing silo							
11	19-Oct	Tue	Existing facility and equipment survey							
12	20-Oct	Wed	Existing facility and equipment survey	Existing facility survey, natural condition survey	Operation system survey	Maintenance planning survey				
13	21-Oct	Thr	Santahar to Dhaka							
14	22-Oct	Fri	Material review							
15	23-Oct	Sat								
16	24-Oct	Sun								
17	25-Oct	Mon	Facility and equipment planning survey	Facility design survey	Operation and maintenance system survey	Contractor qualification survey				
18	26-Oct	Tue								
19	27-Oct	Wed								
20	28-Oct	Thr								
21	29-Oct	Fri	Material review							
22	30-Oct	Sat	Internal meeting							
23	31-Oct	Sun	Facility planning survey	Facility design survey	Operation and maintenance system survey	Contractor qualification survey		Market survey		
24	1-Nov	Mon								
25	2-Nov	Tue								
26	3-Nov	Wed								
27	4-Nov	Thr								
28	5-Nov	Fri								
29	6-Nov	Sat								
30	7-Nov	Sun								
31	8-Nov	Mon								
32	9-Nov	Tue								
33	10-Nov	Wed	Explanation and discussion for field survey result	Santahar to Dhaka	Construction and supply		Market survey			
34	11-Nov	Thr	Facility design survey							
35	12-Nov	Fri	Material review							
36	13-Nov	Sat	Internal meeting							
37	14-Nov	Sun	Facility planning survey							
38	15-Nov	Mon	Explanation and discussion for field survey result	Facility design survey	Construction and supply		Market survey			
39	16-Nov	Tue	Dhaka to Singapore							
40	17-Nov	Wed	Dhaka to Bangkok							
41	18-Nov	Thr	to Narita							
42	19-Nov	Fri								
43	20-Nov	Sat								
44	21-Nov	Sun								
45	22-Nov	Mon								
46	23-Nov	Tue								
47	24-Nov	Wed								
48	25-Nov	Thr								
49	26-Nov	Fri								
50	27-Nov	Sat	Dhaka to Singapore							
			Dhaka to Bangkok							
			to Narita							

Appendix-2 Study Schedule

(2) 2nd Field Survey (from January 4, 2011 to January 21, 2011)

No	Date	Day	JICA		Consultant		
			Team Leader	Planning management	Chief consultant / Facility planning / Equipment planning	Maintenance planning / Construction and supply planning	
			Mr. TOKIDA	Ms. AKAISHI	Mr. KATAYANAGI	Mr. FUJITA	
1	4-Jan	Tue			Narita to Bangkok		
2	5-Jan	Wed			Bangkok to Dhaka, Meeting with DG Food		
3	6-Jan	Thr			Meeting with MoFDM, DG Food and JICA		
4	7-Jan	Fri			Internal Meeting		
5	8-Jan	Sat			Material Review		
6	9-Jan	Sun	Narita to Bangkok		Meeting with DG Food, Equipment planning survey		
7	10-Jan	Mon	Bangkok to Dhaka, Meeting with JICA, Courtesy call to EOJ		Facility planning survey, Meeting with JICA, Courtesy call to EOJ		
8	11-Jan	Tue	Meeting with MoFDM, DG Food and JICA				
9	12-Jan	Wed	Meeting with DG Food				
10	13-Jan	Thr	Meeting with JICA		Facility and equipment planning survey		
11	14-Jan	Fri	Material Review				Dhaka to Bangkok, Bangkok to Narita
12	15-Jan	Sat	Material Review				Arrive at Narita
13	16-Jan	Sun	Meeting with DG Food				
14	17-Jan	Mon	Dhaka to Bangkok, Bangkok to Narita		Meeting with DG Food and JICA		
15	18-Jan	Tue	Arrive at Narita		Facility and equipment planning survey		
16	19-Jan	Wed	Meeting with DG Food				
17	20-Jan	Thr	Dhaka to Bangkok, Bangkok to Narita				
18	21-Jan	Fri	Arrive at Narita				

(3) 3rd Field Survey (from April 24, 2011 to May 21, 2011)

No	Date	Day	JICA		Consultant		
			Team Leader	Planning management	Chief consultant / Facility planning / Equipment planning	Food storage planning /Operation planning	Cost Estimation
			Mr. MAKINO	Mr. IKEDA	Mr. KATAYANAGI	Mr. KASUGA	Mr. SHINODA
1	24-Apr	Sun	Hanaeda to Bangkok, Bangkok to Dhaka, Meeting with JICA				
2	25-Apr	Mon	Courtesy call to EOJ, Meeting with DG Food, Meeting with ERD				
3	26-Apr	Tue	Courtesy call to Minister, MoFDM, Minutes Meeting				
4	27-Apr	Wed	Minutes Meeting				
5	28-Apr	Thr	Signing on Minutes of Meeting,				
6	29-Apr	Fri	Dhaka to Bangkok				
7	30-Apr	Sat	Bangkok to Dhaka				
8	1-May	Sun			Material Review	Narita to Bangkok	
					Facility and equipment survey	Bangkok to Dhaka	
9	2-May	Mon			Dhaka to Santahar, Facility, equipment and maintenance planning survey	Dhaka to Santahar, Operation planning survey	
10	3-May	Tue			Facility and equipment planning survey	Operation planning survey	
11	4-May	Wed			Santahar to Dhaka, Similar facility survey	Santahar to Dhaka, Similar facility survey	
12	5-May	Thr			Facility planning survey, Similar facility survey	Similar facility survey	
13	6-May	Fri	Material Review				
14	7-May	Sat	Material Review				
15	8-May	Sun			Facility and equipment planning survey	Other donor survey, Operation planning survey	Narita to Bangkok
16	9-May	Mon	Explanation and discussion for field survey result, Internal meeting				Bangkok to Dhaka, Internal meeting
17	10-May	Tue	Report to JICA, Dhaka to Bangkok				
18	11-May	Wed	Bangkok to Narita				Market survey
19	12-May	Thr					
20	13-May	Fri					Material Review
21	14-May	Sat					Material Review
22	15-May	Sun					
23	16-May	Mon					Market survey
24	17-May	Tue					
25	18-May	Wed					
26	19-May	Thr					
27	20-May	Fri					Dhaka to Bangkok
28	21-May	Sat					Bangkok to Narita

(4) Explanation of Draft Outline Design (from October 12, 2011 to October 19, 2011)

No	Date	Day	JICA			Consultant	
			Team Leader	Planning management	Cooperation planning	Chief consultant / Facility planning / Equipment planning	Facility design / Natural condition survey
			Mr. MAKINO	Ms. KIKUCHI	Mr. IKEDA	Mr. KATAYANAGI	Mr. KIMURA
1	12-Oct	Wed	Haneda to Bangkok, Bangkok to Dhaka, Meeting with JICA, Courtesy call to EOJ				
2	13-Oct	Thr	Meeting with ERD, Meeting with MoFDM				
3	14-Oct	Fri	Material Review				
4	15-Oct	Sat	Material Review				
5	16-Oct	Sun	Minutes Meeting, Other donor survey		Minutes Meeting		
6	17-Oct	Mon	Signing on Minutes of Meeting				
7	18-Oct	Tue	Meeting with JICA, Meeting with EOJ, Dhaka to Bangkok				
8	19-Oct	Wed	Bangkok to Narita				

3. List of Parties Concerned in the Recipient Country

(1) Economic Relation Division, Ministry of Finance

Deputy Secretary	Ms. Nasreen Akhtar Chowdhury
Deputy Secretary	Ms. Khadiza Begum
Deputy Secretary	Mr. Md. Mostafizur Rahman
Additional Secretary	Mr. Mohammad Shafiqul Azam

(2) Ministry of Food and Disaster Management

Minister	Dr. Muhammad Abdur Razzaque
Joint Secretary	Mr. Md. Moinul Haque
Secretary	Mr. B.D. Mitra
Additional Secretary	Mr. A. Awel Hawkol
Additional Secretary	Mr. A. Awal Howlader
Deputy Secretary	Mr. Mohammed Mahfuzug Hosue
Director	Mr. Mohammed Tofazzelhssem
Deputy Chief	Mr. Shikha R. Sale
Deputy Chief	Mr. Syed Mamunul Alam
Assistant Engineer	Mr. Md. Abu Bakar Siddique
Research Director, FPMU	Mr. Md. Ruhul Amin Talukder

(3) Directorate General of Food, MoFDM

Director General	Mr. Ahmed Hossain Khan
Director	Mr. Nazimuddin
Director, Movement Storage & Silo	Mr. Md. Tofazzal Hossain
Director, IDTS	Mr. D. Nakiureddin
Director, IDTS	Mr. Shaikh Zakir Hossain
Additional Director	Mr. Mohammed Mohiuddin
Silo Superintend	Mr. M.G. Mostafa
Project Director for Mongla Silo	Mr. Mohammed Gagiur Rahman
Deputy Director, Accounts & Finance	Mr. Mahbubur Rahman Khan
Manager, Santahar CSD	Mr. Amarendra Nath Sarker
Assistant Manager, Muladuri CSD	Mr. Kh. Azizul Hoque
Officer in Charge, Nosratpur LSD	Mr. Rashedul Islam
Officer in Charge, Santahar LSD	Mr. Md. Azahar Hossin

(4) Bangladesh Agricultural Development Corporation, Ministry of Agriculture

Chairman	Mr. S.M.Nazmul Islam
General Manager, Seed Division	Mr. Md. Shah Alam
Deputy Director	Mr. Kbd. Md. Azim Uddin

(5) Roads & Railway Division, Ministry of Communications

Secretary	Mr. Mozammel Haque Khan
Joint Secretary	Mr. Muhammad Mustafa
Joint Chief	Mr. Mustafa Rokeya Begum
Deputy Chief	Mr. Mohammed Ziakoedli

Appendix-3 List of Parties Concerned

- (6) Bangladesh Railway, Ministry of Communications
- | | |
|---|----------------------------------|
| Director General | Mr. Mohammed Belayet Hossain |
| Additional Director General (General) | Mr. Habiba Ahmad |
| Additional Director General (Operation) | Mr. Mohammed Akhtaruzzamzan |
| Additional Director General | Mr. Mohammed Ebrahim Khalilallah |
- (7) Ministry of Housing and Public Works
- | | |
|---|------------------------|
| Chief Architect, Department of Architecture | Mr. A. S. Ismail |
| Assistant Chief Architect | Mr. Ahmed Bashir Uddin |
- (8) Fire Service & Civil Defense Directorate
- | | |
|--------------------|---------------------------------|
| Director General | Mr. Abu Nayeem Md. Shahidullah |
| Director | Mr. Major M. M. Motiur Rahman |
| Director | Mr. Major Sheikh Md. Shahijalal |
| Assistant Director | Mr. Md. Zahurul Amin Mia |
- (9) Santahar Municipality
- | | |
|-------|----------------------|
| Mayor | Mr. Tofazzal Hossain |
|-------|----------------------|
- (10) World Bank
- | | |
|---|------------------|
| Senior Rural Development Specialist,
South Asia Region | Mr. Ousmane Seck |
|---|------------------|
- (11) Food and Agriculture Organization of the United Nations
- | | |
|-------------------------|-------------------|
| Chief Technical Advisor | Mr. Ciro Fiorillo |
|-------------------------|-------------------|
- (12) Embassy of Japan in Bangladesh
- | | |
|------------------|-----------------------|
| Counsellor | Mr. Masayuki TAGA |
| Second Secretary | Mr. Yuichi INAGAKI |
| Second Secretary | Mr. Tetsumi TAKAHASHI |
| Second Secretary | Mr. Hiroto SOBAJIMA |
- (13) Japan International Cooperation Agency Bangladesh Office
- | | |
|--------------------------|---------------------|
| Chief Representative | Mr. Takao TODA |
| Assistant Director | Mr. Hiroyuki TOMITA |
| Senior Programme Manager | Mr. Sayedul Arefin |

4. Minutes of Meetings

(1) Signed Minutes of Meetings on October 14, 2010 at 1st Field Survey

THE MINUTES OF MEETINGS
ON
THE MISSION FOR THE PREPARATORY SURVEY
ON
IMPROVEMENT OF THE CAPACITY OF PUBLIC FOOD STORAGE
IN
THE PEOPLE'S REPUBLIC OF BANGLADESH

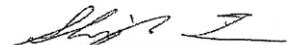
AGREED UPON BETWEEN

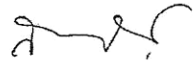
THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH


AND

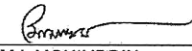
THE JAPAN INTERNATIONAL COOPERATION AGENCY

Dhaka, 14 October, 2010


Mr. Shigeki FURUTA
Leader
Preparatory Survey Team
Japan International Cooperation Agency


Ms. Nasreen Akhtar CHOWDHURY
Deputy Secretary
Economic Relations Division, Ministry of Finance,
Government of the People's Republic of
Bangladesh


Mr. Md. Moinul HAQUE
Joint Secretary
Food Division
Ministry of Food and Disaster Management
Government of the People's Republic of
Bangladesh


Mr. Md. MOHIUDDIN,
Additional Director, IDTS
Directorate General of Food
Government of the People's Republic of
Bangladesh

The government of the People's Republic of Bangladesh (hereinafter referred to as "GOB") and the Japan International Cooperation Agency (hereinafter referred to as "JICA") have made several preliminary discussions in order to identify priority projects in the field of Agriculture and Rural Development, and agreed to make preparation for the improvement of the capacity of public food storage in Bangladesh (hereinafter referred to as "the Project"). Accordingly, JICA dispatched a mission team on the Project (hereinafter referred to as "the Team") to the People's Republic of Bangladesh (hereinafter referred to as "Bangladesh") from 9th October 2010 to 26th November 2010 in order to develop scope and implementing arrangements of a further survey which will draw up necessary and adequate outline designs and outline cost estimates of the project (hereinafter referred to as "the Preparatory Survey"). The scope and implementing arrangements of the Preparatory Survey are described in the Appendix 1. The main points discussed during its visit are described in the Appendix 2.

It should be noted that implementation of the Preparatory Survey does not imply any decision or commitment by JICA to extend its grant for the project at this stage.

- Appendix 1: Scope and Implementing Arrangements of the Preparatory Survey
- Appendix 2: Main Points Discussed
- Appendix 3: Japan's Grant Aid Scheme
- Appendix 4: Items Requested by GOB



Appendix 1

**SCOPE AND IMPLEMENTING ARRANGEMENTS
OF THE PREPARATORY SURVEY****I. BACKGROUND AND OBJECTIVES OF THE PREPARATORY SURVEY**

In Bangladesh, paddy rice growing including dual cropping is very popular. However, agricultural conditions are very weak against both floods and dry weather. In addition, natural disasters including cyclones and tornados are one factor that causes fluctuation of the amount of agricultural products.

Poverty reduction impact has been realized in long term view in Bangladesh, however, almost half of the people in Bangladesh are considered to be living under the poverty line. GOB has targeted to reduce the number of people living in poverty by 2015, in United Nation Millennium Development Goals (hereinafter referred as MDGs), and to realize its MDGs by setting food security as an important policy issue to secure sufficient food production and access to food by all of its people, including those in poverty. However, it is reported that 40% of people are not able to access sufficient food due to poverty. To improve this situation, food is distributed to those in need through the Public Food Distribution System (hereinafter referred as PFDS). PFDS is a provision for demand and distribution adjustment, market price stability, ensuring a buying price from farmers, and distribution to areas damaged by natural disasters through storage, transport and distribution of both domestic and imported agricultural products.

Besides, strengthening of public food procurement and construction of food storage are promoted in Poverty Reduction Strategy Paper, 2008 (hereinafter referred as PRSP). In fact, the GOB owns food storage with a capacity of total 1.47 million ton. The GOB made an unofficial request to Japan to establish rice silo in order to strengthen food storage capacity and to ensure stable distribution. Under such circumstances, the preparatory study was carried out from June to July 2009 by JICA, aiming for fact findings of the un-officially requested project.

Through the series of discussion with concerned GOB officials, major findings of the preparatory study team are as follows:

- GOB introduced plans to strengthen 500,000 Mt in capacity within 5 years. Storage and silo with 160,000 Mt in capacity are scheduled to be constructed by the funds of Debt Relief Grant Assistance Counterpart Fund (hereinafter referred as DRGA-CF) and Japan Debt Cancellation Fund (hereinafter referred as JDCF). The exact plan to establish storage with 340,000 Mt in capacity is not realized.
- Food storage capacity in FY 2008 is estimated to be lacking 340,000 Mt nationwide, especially, to be lacking 200,000 Mt (rice: 150,000 Mt) in Rajshahi District. Besides, food storage is estimated to be lacking 730,000 Mt by the year 2014 nationwide.
- Based on unofficial request proposed by the GOB, the preparatory study team reviewed and compared the potential of project sites, Dinajipur (Dinajipur District), Postagora (Dhaka City) and Santahar (Bogra District), and type of storage facility. As a result of the preparatory study, the team gave presentation that silo type storage is suited to flat storage, and Santahar is considered to be best for the project site.

Under such circumstances, official request was proposed by the GOB to establish rice silo storage in Santahar. JICA conduct the Preparatory Survey, considering that it seems to be technically and



economically difficult for the GOB to construct rice silos, because construction of rice silos is the first case in Bangladesh.

The objectives of the Preparatory Survey are to reconfirm necessity and feasibility of the project and draft a basic document necessary for the appraisal of the Project by the Government of Japan (hereinafter referred as GOJ).

II. OBJECTIVES OF THE PROJECT

The Objective of the Project is to improve the capacity of public food storage for food security by constructing silo-type storage for rice grain.

III. ITEMS REQUESTED BY BANGLADESH

1. Project Site
Santahar Union, Adamdighi Upazila, Bogra District, Rajshahi Division
2. Components
After the series of discussions with the Team, the items described in Appendix 4 were finally requested by GOB. JICA will assess the appropriateness of each item and recommend to the GOJ for approval:
3. Executing Agencies
Executing Agency: Ministry of Food and Disaster Management (MoFDM)
Implementing Agency: Directorate General of Food (DG Food), MoFDM

IV. SURVEY AREA

Dhaka city and Santahar Union, Adamdighi Upazila, Bogra District, Rajshahi Division

V. SCOPE OF THE PREPARATORY SURVEY

1. Terms of Reference
The Preparatory Survey shall cover the following items:
 - 1: To clarify the role and duty of silo type storage facility for rice
 - 2: To make appropriate and feasible plan for Bangladesh
 - 3: To ensure sustainable operation and maintenance
2. The Team for the Preparatory Survey
The Team includes the following specialists.
 - Facility planning / Equipment planning
 - Facility design / Natural condition survey
 - Food storage planning / Operation planning Specialist
 - Maintenance planning / Construction and supply planning



- Cost Estimation

The Team may engage local consultants, NGOs, and/or other supporting staffs.

VI. SCHEDULE OF THE PREPARATORY SURVEY

The Team will proceed to further surveys in Bangladesh until November 26, 2010 and prepare technical note to clarify design criteria, technical specification, etc., which are to be used in the analysis in Japan.

JICA will prepare the draft final report in English and dispatch a Team in order to explain its contents in April 2011.

When the contents of the draft report are accepted by GOB, JICA will complete the final report and send it to the GOB.

VII. REPORTS

JICA will prepare and submit following reports in English to GOB.

1. Inception Report:
One copy was submitted at the commencement of the first work period in Bangladesh. This report will cover scope of the survey.
2. Draft Final Report:
One copy will be submitted in April 2011. This report will cover outline designs and outline cost estimates of the project.
3. Final Report:
Seventeen copies will be submitted in August 2011.

VIII. JAPAN'S GRANT AID SCHEME

GOB understands the Japan's Grant Aid Scheme explained by the Team as described in Appendix 4.

IX. UNDERTAKINGS OF THE GOVERNMENT OF BANGRDESH

The GOB shall act as a counterpart agency to the survey team and also as a coordinating body with other organizations concerned for the smooth implementation of the Preparatory Survey.

GOB shall, at its own expense, provide the survey team with the following items in cooperation with other organizations concerned:

- (1) security-related information as well as measures to ensure the safety of the survey team;
- (2) information as well as support in obtaining medical service;



- (3) data and information related to the Preparatory Survey;
- (4) counterpart personnel;
- (5) suitable office space with necessary equipment and secretarial service;
- (6) credentials or identification cards;
- (7) entry permits necessary for the survey team members to conduct field surveys;
- (8) support in making transportation arrangements; and
- (9) GOB shall bear claims, if any arises, against the members of the survey team resulting from occurring in the course of, or otherwise connected with the discharge of their duties in implementation of the Preparatory Survey, except when such claim arise from gross negligence or willful misconduct on the part of the member of the survey team.
- (10) support in obtaining other privileges and benefits if necessary.
- (11) GOB is required to undertake such necessary measures as Appendix 5.

X. CONSULTATION

JICA and the GOB shall consult with each other in respect of any matter that may arise from or in connection with the Preparatory Survey.



END

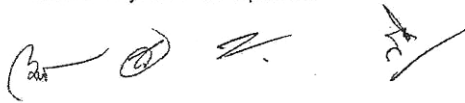
Appendix 2

THE MAIN POINTS DISCUSSED

1. Contents of the Preparatory survey
The Team reconfirmed the objectives and concept of the Preparatory Survey mentioned in the Inception Report and the Bangladesh side agreed to them.
2. Project Site
GOB reconfirmed the project site is in Santahar Union and the land including the proposed railway and road is owned by the MoFDM.
GOB explained that the site will not be used for the construction of go-downs by DRGA-CF.
3. Executing agency and implementing agency
Both sides reconfirm the executing agency as MoFDM and implementing agency as DG Food.
4. Necessity of the silo construction
GOB explained that the silo is used for PFDS to strengthen the food security and food safety. GOB also mentioned that the food security is the one of the most prioritized issue of the Prime Minister and also explained Prime minister have a policy to double the public food storage in coming 10 years, i.e. 2020 and construction of silo is to be contributed it.
5. Contents of Request
After the series of discussions with the Team, the items described in appendix 5 were finally requested by GOB. GOB emphasized the necessity of spare parts at least one set. The Team explained that JICA will assess the appropriateness of each item and recommend to the GOJ for approval.
6. Construction of Railway
GOB agreed that railway construction up to silo site within facility compound will be done under full responsibility of GOB. In this regard, MoFDM will take necessary action in cooperation with Roads & Railway Division, Ministry of Communication and complete the railway line by the time of completion of the Japan's Grant Aid project.

GOB agreed to resettle illegal settlement around the proposed railway line prior to the tender for the project, if necessary.
7. Construction of Road
GOB agreed that road construction up to silo site within facility compound will be done under full responsibility of GOB.
8. Capacity of the Silo-type storage
Both sides confirmed that GOB requested the silo with the capacity 50,000 MT, considering that this is the first rice silo in Bangladesh. GOB explained that the capacity is so important that GOB will bear the costs for the items such as office building, railway and road construction etc. GOB understood that the ultimate capacity of the silo is determined by the result of the Preparatory Survey and the cabinet approval of GOJ.

GOB requested to design the silo by keeping the possibility of future expansion. The team will show the layout for the expansion.



9. Comparative study on silo structure of (steel-made and concrete-made)
Both sides agreed that the Team will conduct comparative study on steel-made silo and concrete-made silo considering overall cost, construction period, endurance, as well as necessary skills for construction stage and operation and maintenance stage. And the decision of the structure is subject to the approval by GOJ in consideration of GOB comments.
10. Comparative study on the grain type for storage (parboiled rice or paddy)
GOB explained that it is desirable to store parboiled rice in the rice silo as it is expected to be used in the emergency. Both sides agreed that the Team would conduct comparative study on parboiled rice and paddy. And the decision of the type is subject to the approval by GOJ in consideration of GOB comments.
11. Operation and Maintenance
GOB explained that the responsibility for the operation and maintenance for the constructed silo facility is under DG Food, and MoFDM has submitted DPP including operation and maintenance to the Planning Commission.

The Team explained that the expected operation and maintenance costs for the silo facility will be estimated and reported to GOB in the Draft Final Report. The team asked MoFDM to amend the DPP according to the estimation shown by the draft final report as the result of the further study and analysis in Japan. GOB agreed to amend the DPP within three months after receiving necessary information from JICA for the amendment.

GOB also requested to select the equipments considering easy maintenance and longevity.
12. Custom duties and other taxes
GOB agreed that GOB shall ensure that customs duties, internal taxes and other fiscal levies which may be imposed in Bangladesh with respect to the purchase of the services are borne by the GOB without using the Grant.

GOB confirmed to secure the budget for the custom duties and other taxes and reimburse the budget according to the request from the constructing consultant periodically and make the procedure very quickly during the implementation of the Project
13. Soft components
GOB requested the technical support and capacity building of concerned staff for operation and maintenance of the silo around the starting stage of operation. The Survey Team will consider the necessity, appropriateness and contents of the technical support in further study.
14. Plan of Environmental and Social consideration borne by GOB
GOB agreed to receive the certificate of category from the Department of Environment, following Bangladesh Environmental Conservation Act, 1995 by the middle of November 2010. GOB also agreed to take necessary arrangement in the category for the Project. GOB agreed to show the schedule of necessary arrangement including the resettlement of illegal lodge to JICA as soon as possible.
15. Construction Permission
GOB agreed to complete necessary arrangements to obtain the construction permission prior to the tender of the Project.

GOB also agreed to clear the sites and remove items such as temporary residence for workers, bushes within the site by its own expenses prior to the Tender for the Project.



16. Schedule for DPP appraisal

GOB promised that the Development Project Proposal (hereinafter referred as DPP) shall be approved by Executive Committee for National Economic Council (hereinafter referred as ECNEC) within three months after receiving necessary information from JICA for the revision of DPP.

GOB shall finalize the DPP for the Project based on the Draft Final Report. Based on the time frame established in the approval procedure, the expected DPP approval schedule is as follows. GOB agreed to take necessary actions to follow this tentative schedule to obtain approval by ECNEC.

- DPP Submission to MoFDM from DG Food (within two weeks)
- DPP Examination by MoFDM (10days)
- DPP Examination by Planning Commission (15days)
- DPP Circulated of PEC decision (10days)
- Examination by Sector division of Planning Commission (10days)
- Examination and final approval by ECNEC (30 days)



JAPAN'S GRANT AID SCHEME

The Government of Japan (hereinafter referred to as "the GOJ") is implementing the organizational reforms to improve the quality of ODA operations, and as a part of this realignment, a new JICA law was entered into effect on October 1, 2008. Based on the law and the decision of the Government of Japan (hereinafter referred to as "the GOJ"), JICA has become the executing agency of the Grant Aid for General Projects, for Fisheries and for Cultural Cooperation, etc.

The Grant Aid is non-reimbursable fund to a recipient country 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

The Japanese Grant Aid is conducted as follows-

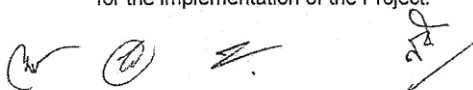
- Preparatory Survey (hereinafter referred to as "the Survey")
 - The Survey conducted by JICA
- Appraisal & Approval
 - Appraisal by The GOJ and JICA, and Approval by the Japanese Cabinet
- Determination of Implementation
 - The Notes exchanged between the GOJ and a recipient country
- Grant Agreement (hereinafter referred to as "the G/A")
 - Agreement concluded between JICA and a recipient country
- Implementation
 - Implementation of the Project on the basis of the G/A

2. Preparatory Survey

(1) Contents of the Survey

The aim of the Survey is to provide a basic document necessary for the appraisal of the Project by JICA and the GOJ. The contents of the Survey 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 implementation of the Project.

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- Evaluation of the appropriateness of the Project to be implemented under the Grant Aid Scheme from a technical, financial, 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 by the recipient country 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.

JICA 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 Survey, JICA uses (a) registered consulting firm(s). JICA selects (a) firm(s) based on proposals submitted by interested firms.

(3) Result of the Survey

The Report on the Survey is reviewed by JICA, and after the appropriateness of the Project is confirmed, JICA recommends the GOJ to appraise the implementation of the Project.

3. Japan's Grant Aid Scheme

(1) The E/N and the G/A

After the Project is approved by the Cabinet of Japan, the Exchange of Notes(hereinafter referred to as "the E/N") will be signed between the GOJ and the Government of the recipient country to make a plea for assistance, which is followed by the conclusion of the G/A between JICA and the Government of the recipient country to define the necessary articles to implement the Project, such as payment conditions, responsibilities of the Government of the recipient country, and procurement conditions.



(2) Selection of Consultants

The consultant firm(s) used for the Survey will be recommended by JICA to the recipient country to also work on the Project's implementation after the E/N and the G/A, in order to maintain technical consistency.

(3) Eligible source country

Under the Japanese Grant Aid, in principle, Japanese products and services including transport or those of the recipient country are to be purchased. When JICA and the Government of the recipient country or its designated authority 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, constructing and procurement firms, and the prime consulting firm are limited to "Japanese nationals".

(4) Necessity of "Verification"

The Government of the recipient country or its designated authority will conclude contracts denominated in Japanese yen with Japanese nationals. Those contracts shall be verified by JICA. This "Verification" is deemed necessary to secure accountability to Japanese taxpayers.

(5) Major undertakings to be taken by 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 Annex.

(6) "Proper Use"

The Government of 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) "Export and Re-export"

The products purchased under the Grant Aid should not be exported or 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"). JICA 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 JICA 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.

(10) Social and Environmental Considerations

A recipient country must ensure the social and environmental considerations for the Project and must follow the environmental regulation of the recipient country and JICA socio-environmental guideline.

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(End)

Annex

Major Undertakings to be taken by Each Government

No.	Items	To be covered by Grant Aid	To be covered by Recipient Side
1	to secure a lot of land necessary for the implementation of the Project and to clear the site		●
2	To construct the following facilities		
	1) The building	●	●
	2) The gates and fences in and around the site		●
	3) The parking lot		●
	4) The road within the site		●
	5) The road outside the site		●
	6) To construct railway within the site		●
	7) To construct railway outside the site		●
3	To provide facilities for distribution of electricity, water supply and drainage and other incidental facilities necessary for the implementation of the Project outside the site		
	1) Electricity		
	a. The distributing power line to the site		●
	b. The drop wiring and internal wiring within the site	●	
	c. The main circuit breaker and transformer	●	
	2) Water Supply		
	a. The city water distribution main to the site		●
	b. The supply system within the site (receiving and elevated tanks)	●	
	3) Drainage		
	a. The city drainage main (for storm sewer and others to the site)		●
	b. The drainage system (for toilet sewer, common waste, storm drainage and others) within the site	●	
	4) Gas Supply		
	a. The city gas main to the site		●
	b. The gas supply system within the site	●	
	5) Telephone System		
	a. The telephone trunk line to the main distribution frame/panel (MDF) of the building		●
	b. The MDF and the extension after the frame/panel	●	
	6) Furniture and Equipment		
	a. General furniture		●
	b. Project equipment	●	
4	To ensure prompt unloading and customs clearance of the products at ports of disembarkation in the recipient country and to assist internal transportation of the products		
	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	(●)	(●)
5	To ensure that customs duties, internal taxes and other fiscal levies which may be imposed in the recipient country with respect to the purchase of the products and the services be exempted / be borne by the Authority without using the Grant		●
6	To accord Japanese nationals whose services may be required in connection with the supply of the products and the services such facilities as may be necessary for their entry into the recipient country and stay therein for the performance of their work		●

7	To ensure that the Facilities and the products be maintained and used properly and effectively for the implementation of the Project			●
8	To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project			●
9	To bear the following commissions paid to the Japanese bank for banking services based upon the B/A			
	1) Advising commission of A/P			●
	2) Payment commission			●
10	To give due environmental and social consideration in the implementation of the Project.			●

(B/A : Banking Arrangement, A/P : Authorization to pay)


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