

第一次現地調査

**MINUTES OF DISCUSSIONS
ON
THE PREPARATORY SURVEY
ON
THE PROJECT FOR UPGRADING OF THE KUKUM HIGHWAY
IN
SOLOMON ISLANDS**

In response to a request from the Government of Solomon Islands (hereinafter referred to as "Solomon"), Japan International Cooperation Agency (hereinafter referred to as "JICA") in consultation with the Government of Japan decided to conduct a Preparatory Survey (hereinafter referred to as "the Survey") on the Project for Upgrading of the Kukum Highway (hereinafter referred to as "the Project").

JICA sent the Preparatory Survey Team (hereinafter referred to as "the Team") to Solomon, headed by Mr. Nobuyuki Tsuneoka, Senior Advisor of JICA from November 21 to December 22, 2013.

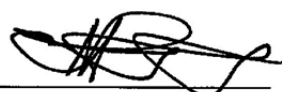
The Team held discussions with officials concerned of the Government of Solomon and conducted a field survey in the Project area.

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

Honiara, December 13, 2013



Nobuyuki Tsuneoka
Leader
Preparatory Survey Team
Japan International Cooperation Agency
Japan



Moses Soajonga Virivolomo
Permanent Secretary
Ministry of Infrastructure Development
Solomon Islands

ATTACHMENT

1. Title of the Project

Both Japanese and Solomon sides confirmed that the title of the Project shall be “the Project for Upgrading of the Kukum Highway”.

2. Objective of the Project

Both sides confirmed that the objective of the Project is to reduce traffic congestion and ensure smooth traffic and safety on the Kukum highway by widening of bridge(s) and improvement of road facilities such as drainage, pavement, intersection(s) and bus bay(s).

3. Project Site

Both sides confirmed that the site of the Project is as shown in Annex-1.

4. Objective of the Survey

Both sides confirmed the objective of the Survey as follows:

- 4-1. To understand the background and objective of the Project and examine its impacts and appropriateness.
- 4-2. To identify the components of the Project based on the data and information collected from and the results of meetings with Solomon side.
- 4-3. To study the issues of environmental and social considerations through the Survey.

5. Responsible and Implementing Agency

Both sides confirmed the implementing organizations as follows:

- 5-1. The responsible and implementing organization is Ministry of Infrastructure Development (MID).
- 5-2. The organization chart of MID is as shown in Annex-2.



6. Items Requested by the Government of Solomon

As a result of discussions between both sides, the items in the following table were finally requested by Solomon side with prioritization. Both sides confirmed that the components of the Project will be decided by Japanese side in consideration of necessity, technical feasibility, sustainability, cost-effectiveness and available budget. Therefore, Solomon side understood that not all the requested items will be accepted as final components of the Project.

Priority	Component	Remarks
1	Improvement of the Kukum Highway from City Council Roundabout to around 3km point from City Council Roundabout	drainage, pavement, intersection, bus bay
2	Improvement of traffic congestions in front of Central Market and neighboring area	drainage, pavement, intersection, bus bay, pedestrian barrier, rehabilitation of existing pedestrian underpass
3	Widening of New Mataniko Bridge to a total 4 lanes	tentatively agreed on the upper stream side
4	Improvement of intersection of City Council Roundabout	
5	Reconstruction of Old Mataniko Bridge to a total 2 lanes	
6	Improvement of the Kukum Highway from around 3km point from City Council Roundabout to Ranadi East/King George VI school	drainage, pavement, intersection, bus bay
7	Improvement of the Kukum Highway from Ranadi East/King George VI school to the International Airport	drainage, pavement, intersection, bus bay

7. Japan's Grant Aid Scheme

Solomon side understands the Japan's Grant Aid scheme explained by the Team, as described in Annex-3 and Annex-4.

Solomon side will take the necessary measures, as described in Annex-5, to facilitate the smooth implementation of the Project, as a condition for the Japan's Grant Aid to be implemented, according to the existing agreement between the Government of Japan and the Government of Solomon.

8. Schedule of the Survey

Both sides confirmed the schedule of the Survey as follows:

- 8-1. The Team will continue the first field survey in Solomon until December 21, 2013.
- 8-2. JICA will prepare the interim report including components of the Project and send a mission team to explain its contents to Solomon side (second field survey) in the end of February 2014. And this team will continuously conduct outline design and cost estimation until the early in April 2014.



- 8-3. JICA will prepare the draft final report and send a mission team to explain its contents to Solomon side in early August 2014. JICA will explain details of the Project including the final components and cost estimation to Solomon side.
- 8-4. JICA will finalize the final report and send it to Solomon side around December 2014.
- 8-5. The above schedule is tentative and subject to change.

9. Environmental and Social Considerations

- 9-1. The Team explained the Project is categorized as "Category B" according to the JICA Guideline, since the Project is widening of the bridge, major improvement of existing roads, and its impact on the environment may be expected.
- 9-2. Solomon side understood the Project needs to follow the JICA guideline. Therefore the initial environmental examination (IEE) shall be done through the Survey.
- 9-3. Regarding the Project Affected Persons (PAPs) within the Project sites, the Solomon side agreed to secure the appropriate budget to be allocated for resettlement and compensation and secure the land before the implementation of the Project. In this regard an Abbreviated Resettlement Action Plan (Abbreviated RAP) will be prepared and approved by the responsible authorities beforehand and Solomon side will take necessary measures to PAPs according to an Abbreviated RAP in close communication with JICA.

10. Proper Use

Solomon side shall secure enough budget and personnel necessary for the operation and maintenance of the facilities constructed by the Project, including the periodical maintenance work after the completion of the Project.

11. Other Relevant Issues

- 11-1. Solomon side shall, at its own expense, provide the 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 necessary for the Survey;
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 - (7) entry permits necessary for the survey team members to conduct field surveys;
 - (8) necessary arrangement for exemption of the taxes, duties, and any charges on equipment, machinery and other materials brought into Solomon for the implementation of the Survey; and
 - (9) support in obtaining other privileges and benefits if necessary.



- 11-2. Solomon side agreed that the following undertakings should be taken by Solomon side at the Solomon's expenses under the Project if implementation of the Project is approved by the Government of Japan:
- (1) to secure the lots of land necessary for the implementation of the Project including land for site office, plant yards, material storing yard, motor pool, temporary construction yard and waste disposal site;
 - (2) to relocate existing utilities within the Project site;
 - (3) to arrange issuance of license, permission and other necessary procedures for the Project;
 - (4) to obtain the royalties/permission for taking raw materials such as stone/rock/filling materials from the quarry/river-bed/borrow pit and to bear the cost of raw material; and
 - (5) to provide security measures for all concerned working for the Project.
- 11-3. Solomon side shall detect discriminate and clear UXOs (Unexploded Objects) in the site of New Mataniko Bridge and Old Mataniko Bridge area before the implementation of the second field survey.
- 11-4 Solomon side shall provide proper measures of traffic safety for surveyors conducting geological and topographical survey on the road during the second field survey.

12. Disclosure of Information

Both sides confirmed that the study results excluding the Project cost will be disclosed to the public after the completion of the Survey. All the study result including the Project cost will be disclosed to the public after all the verification of contracts for the Project by JICA are concluded.

Annex-1: Project Site

Annex-2: Organization Chart of MID

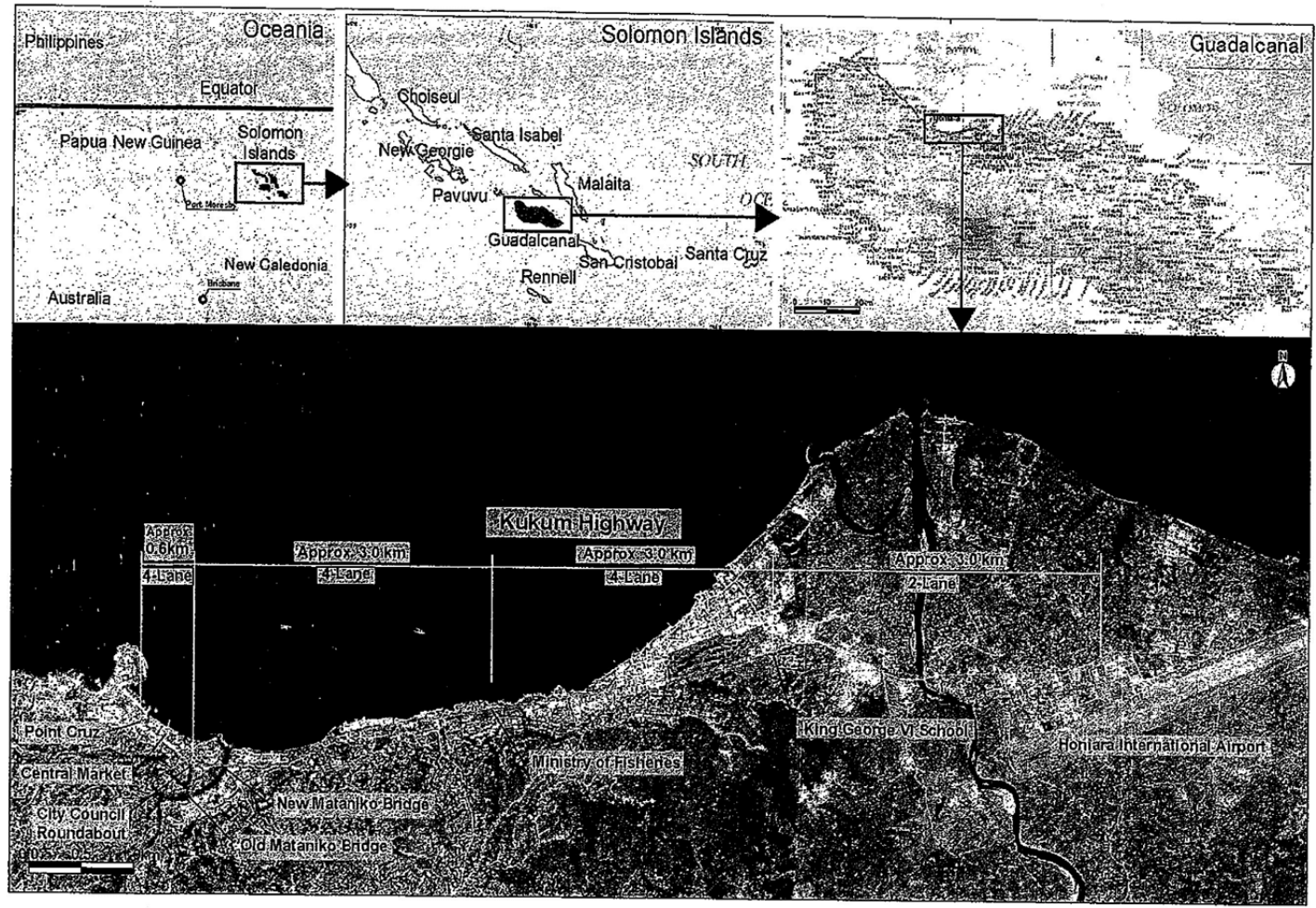
Annex-3: Japan's Grant Aid Scheme

Annex 4: Flowchart of Japan's Grant Aid Procedure

Annex 5: Major Undertakings to be taken by Each Government



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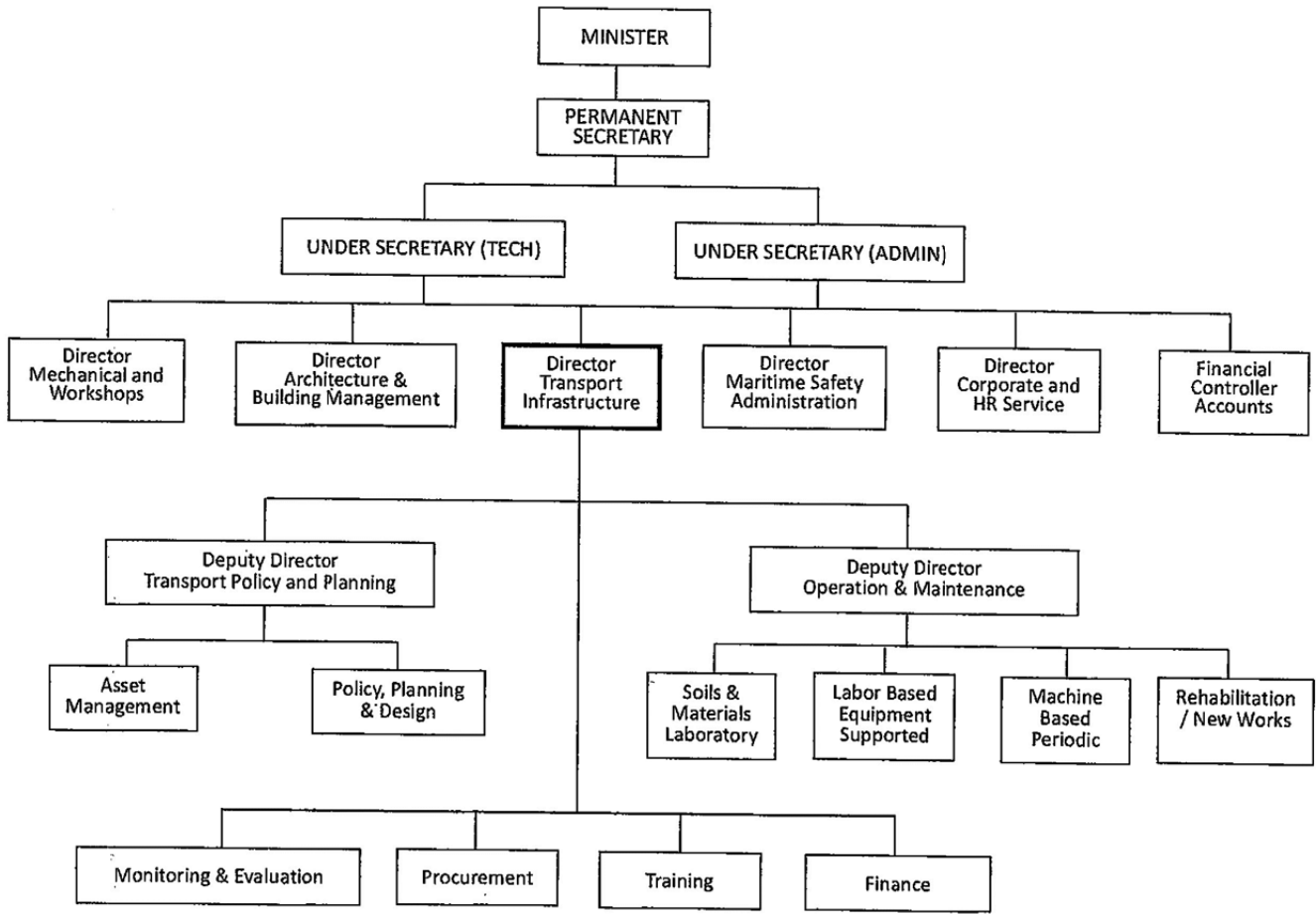


Annex-1: Project Site

LOCATION MAP

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Annex-2: Organization Chart of MTD



MS

MS

JAPAN'S GRANT AID

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 this law and the decision of 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 provided to a recipient country to procure the facilities, equipment and services (engineering services and transportation of the products, etc.) for its economic and social development 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 supplied through following procedures:

- Preparatory Survey
 - The Survey conducted by JICA
- Appraisal & Approval
 - Appraisal by the GOJ and JICA, and Approval by the Japanese Cabinet
- Authority for Determining 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 preparatory Survey is to provide a basic document necessary for the appraisal of the Project made by the GOJ and JICA. The contents of the Survey are as follows:

- Confirmation of the background, objectives, and benefits of the Project and also institutional capacity of relevant agencies of the recipient country necessary for the implementation of the Project.



- 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 between both parties concerning the basic concept of the Project.
- Preparation of a outline 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 Outline Design of the Project is confirmed based on the guidelines of the Japan's Grant Aid scheme.

JICA requests the Government of the recipient country to take whatever measures necessary to achieve 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 of the recipient country which actually implements the Project. Therefore, the implementation of the Project is confirmed by all relevant organizations of the recipient country based on the Minutes of Discussions.

(2) Selection of Consultants

For smooth implementation of the Survey, JICA employs (a) registered consulting firm(s). JICA selects (a) firm(s) based on proposals submitted by interested firms.

(3) Result of the Survey

JICA reviews the Report on the results of the Survey and recommends the GOJ to appraise the implementation of the Project after confirming the appropriateness 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 pledge 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

In order to maintain technical consistency, the consulting firm(s) which conducted the Survey will be recommended by JICA to the recipient country to continue to work on the Project's implementation after the E/N and G/A.




(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 fulfill 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 Annex5.

(6) "Proper Use"

The Government of the recipient country is required to maintain and use properly and effectively the facilities constructed and the equipment purchased under the Grant Aid, to assign staff necessary for this operation and maintenance and 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 under 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)

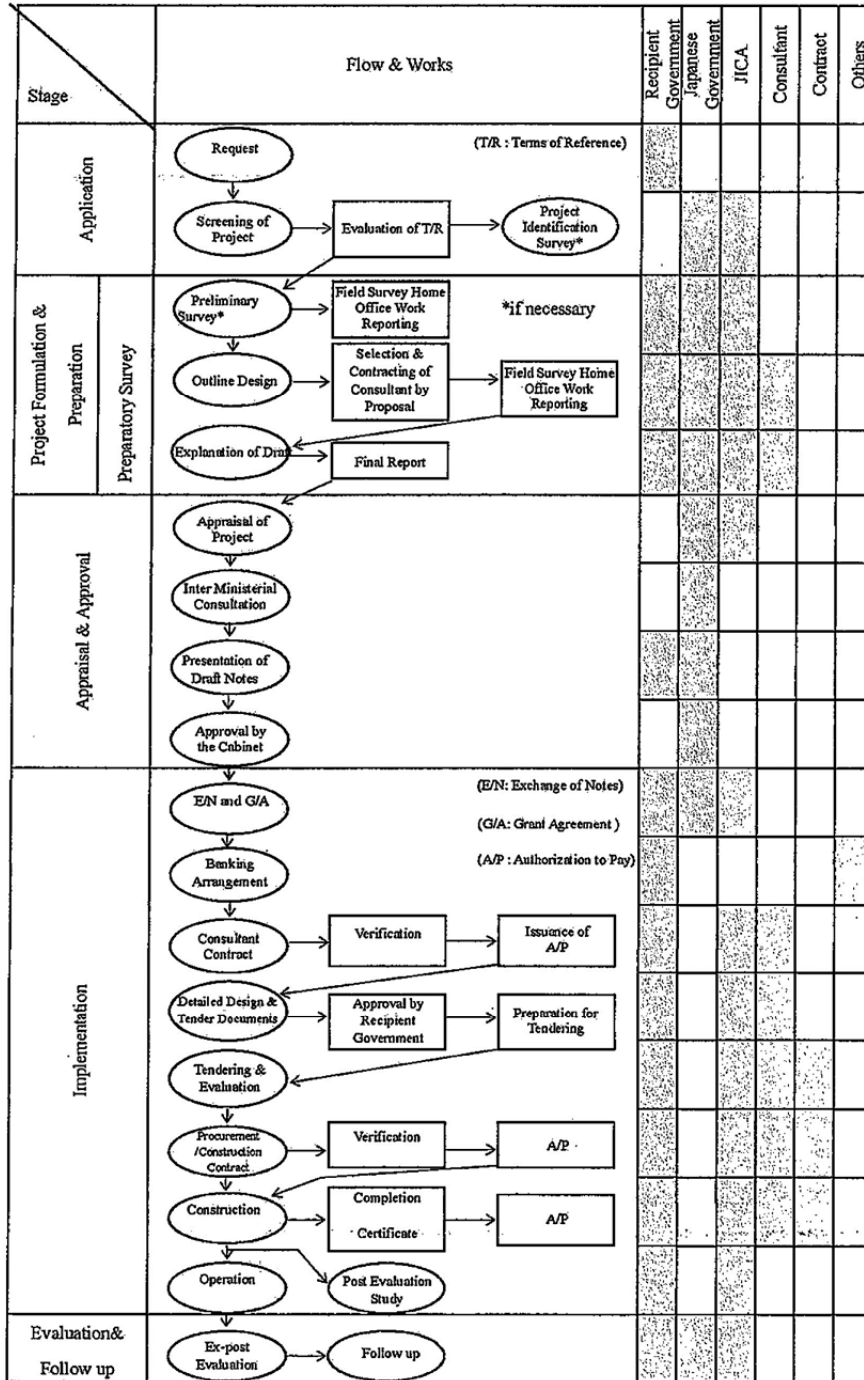
The Government of the recipient country should bear an advising commission of an Authorization to Pay and payment commissions paid to the Bank.

(10) Social and Environmental Considerations

A recipient country must carefully consider social and environmental impacts by the Project and must comply with the environmental regulations of the recipient country and JICA socio-environmental guidelines.



Annex 4: Flowchart of Japan's Grant Aid Procedure



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Annex-5: 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 lots of land necessary for the implementation of the Project and to clear the site		●
2	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 customs clearance of the products at ports of disembarkation		●
	3) Internal transportation from the port of embarkation to the project site	(●)	(●)
3	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.		●
4	To accord Japanese physical persons and / or physical persons of third countries 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 implementation of the Project.		●
5	To ensure that the Facilities be maintained and used properly and effectively for the implementation of the Project.		●
6	To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project.		●
7	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		●
8	3) To give due environmental and social consideration in the implementation of the Project.		●

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

第二次現地調査

MINUTES OF DISCUSSIONS
ON
THE PREPARATORY SURVEY
ON
THE PROJECT FOR UPGRADING OF THE KUKUM HIGHWAY
IN
SOLOMON ISLANDS
(Second Field Survey)

In response to a request from the Government of Solomon Islands (hereinafter referred to as "Solomon"), Japan International Cooperation Agency (hereinafter referred to as "JICA") in consultation with the Government of Japan decided to conduct a Preparatory Survey (hereinafter referred to as "the Survey") on the Project for Upgrading of the Kukum Highway (hereinafter referred to as "the Project").

JICA sent the Preparatory Survey Team (hereinafter referred to as "the Team") to Solomon, headed by Mr. Nobuyuki TSUNEOKA, Senior Advisor of JICA from February 24th to March 28th, 2014.

The Team explained and held discussions based on the Interim Report, which had been prepared by the team, with officials concerned of the Government of Solomon and conducted a field survey in the Project area.

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

Honiara, March 3rd, 2014



Nobuyuki Tsuneoka
Leader
Preparatory Survey Team
Japan International Cooperation Agency
Japan



Moses Soajonga Virivolomo
Permanent Secretary
Ministry of Infrastructure Development
Solomon Islands

ATTACHMENT

1. First Field Survey

First Field Survey conducted from November 21st to December 22nd 2013 and Minutes of Discussion of First Field Survey (hereinafter referred to as "M/D-1") was signed on December 13th 2013.

Both sides confirmed Minutes of Discussions of Second Field Survey (hereinafter referred to as "M/D-2") is based on the M/D-1 attached as Annex-2, therefore descriptions in the M/D-2 focuses on necessary points to be added to and/or amended from the M/D-1.

2. Components of the Project

Both sides confirmed the components of the Project in the following table. However, Solomon side understood that not all the items will be accepted as final components of the Project.

Component	Remark
1. Upgrading of Kukum Highway (Between the City Council Roundabout and around the Fishing village market. However, actual length of the road to be covered in the Project will be determined until the explanation of Draft Final Report)	Improvement of pavement, drainage, intersections and bus-bays
2. Countermeasure against traffic congestion around Central Market	Improvement of bus-bays, road crossing facilities and others
3. Widening of New Mataniko Bridge	Additional construction of 2-lane bridge
4. Improvement of City Council Roundabout	Enlarging circle and lanes
5. Replacement of Old Mataniko Bridge	New construction of the bridge with 2-lane bridge

The sites of the Project listed above are as shown in Annex-1.

Solomon side agreed that, referring to M/D-1 the other components prioritized as 6 and 7 (Improvement of the Kukum Highway from around 3km point from City Council Roundabout to Ranadi East/King George VI school and Improvement of the Kukum Highway from Ranadi East/King George VI school to the International Airport) are determined not to be covered in the Project

3. Schedule of the Survey

Both sides confirmed the schedule of the Survey as follows:

- 3-1. The Team will continue Second Field Survey in Solomon until March 28th, 2014.
- 3-2. JICA will prepare the draft final report and send a mission team to explain its contents to Solomon side in early August 2014. JICA will explain details of the Project including the final components and cost estimation to Solomon side.
- 3-3. JICA will finalize the final report and send it to Solomon side around December 2014.
- 3-4. The above schedule is tentative and subject to change.




4. Environmental and Social Considerations

- 4-1. Regarding Initial Environmental Examination (IEE) Solomon side will prepare and make it approved by the responsible authorities by the end of September 2014.
- 4-2. Regarding the Abbreviated RAP, Solomon side will prepare and make it approved by the responsible authorities by the end of July 2014.

5. Other Relevant Issues

Both sides reconfirmed the following issues mentioned in M/D-1 as those of which are important to proceed with the surveys.

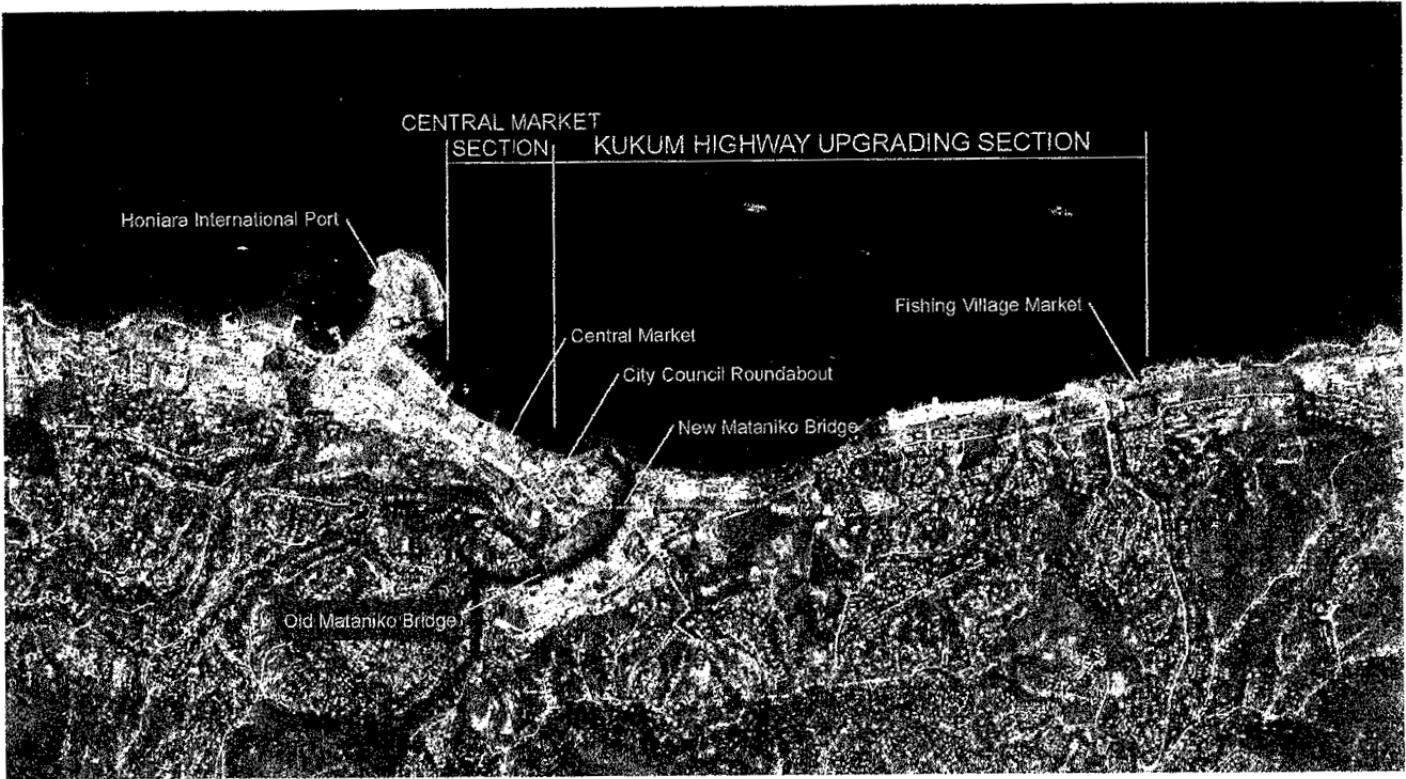
- 5-1. Solomon side agreed that the following undertakings should be taken by Solomon side at the Solomon's expenses under the Project if implementation of the Project is approved by the Government of Japan;
 - (1) to secure the lands necessary for the implementation of the Project including land for site office, plant yards, material storing yard, motor pool, temporary construction yard and waste disposal site;
 - (2) to relocate existing utilities within the Project site;
 - (3) to arrange issuance of license, permission and other necessary procedures for the Project;
 - (4) to obtain the royalties/permission for taking raw materials such as stone/rock/filling materials from the quarry/river-bed/borrow pit and to bear the cost of raw material; and
 - (5) to provide security measures for all concerned working for the Project.
- 5-2. Solomon side shall detect discriminate and clear UXOs (Unexploded Objects) in the site of New Mataniko Bridge and Old Mataniko Bridge area before the implementation of Second Field Survey.
- 5-3. Solomon side shall provide proper measures of traffic safety for surveyors conducting geological and topographical survey on the road during Second Field Survey.

Annex-1: Project Site

Annex-2: M/D-1



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Annex-1: Project Site

**MINUTES OF DISCUSSIONS
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THE PREPARATORY SURVEY
ON
THE PROJECT FOR UPGRADING OF THE KUKUM HIGHWAY
IN
SOLOMON ISLANDS**

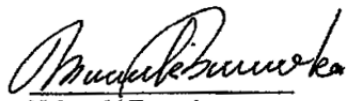
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Honiara, December 13, 2013


Nobuyuki Tsuneoka
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Moses Soajonga Virivolomo
Permanent Secretary
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Both sides confirmed the implementing organizations as follows:

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- 5-2. The organization chart of MID is as shown in Annex-2.



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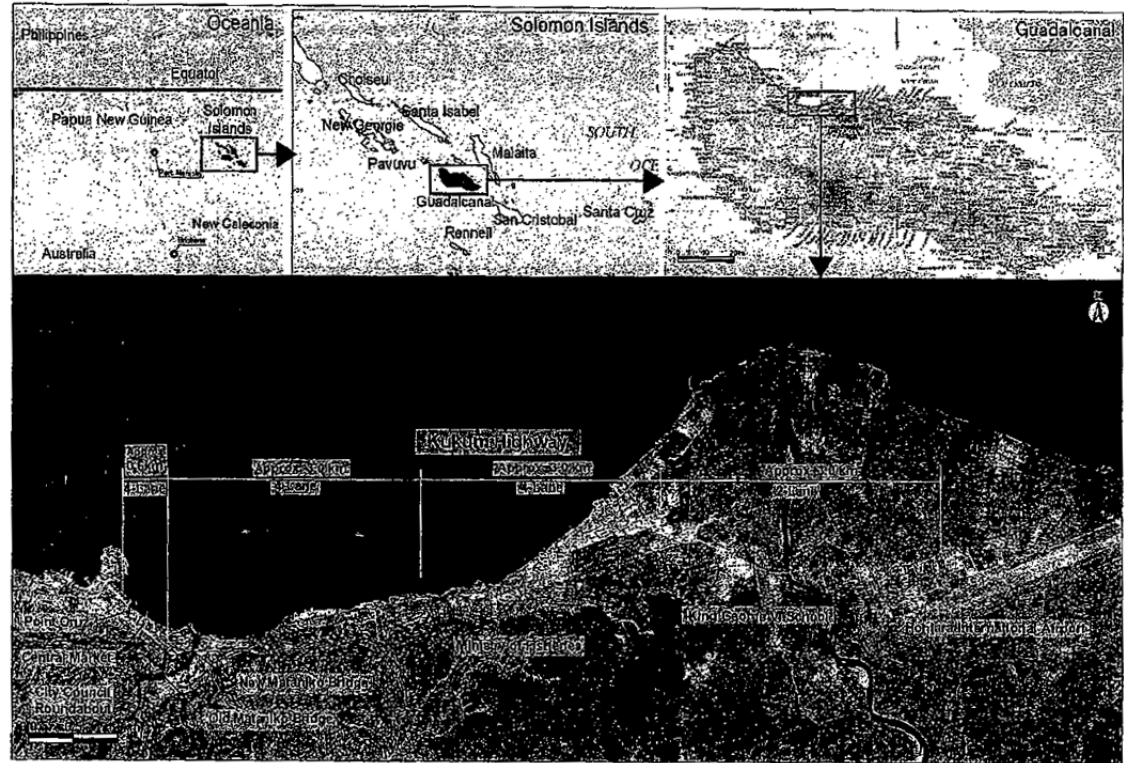
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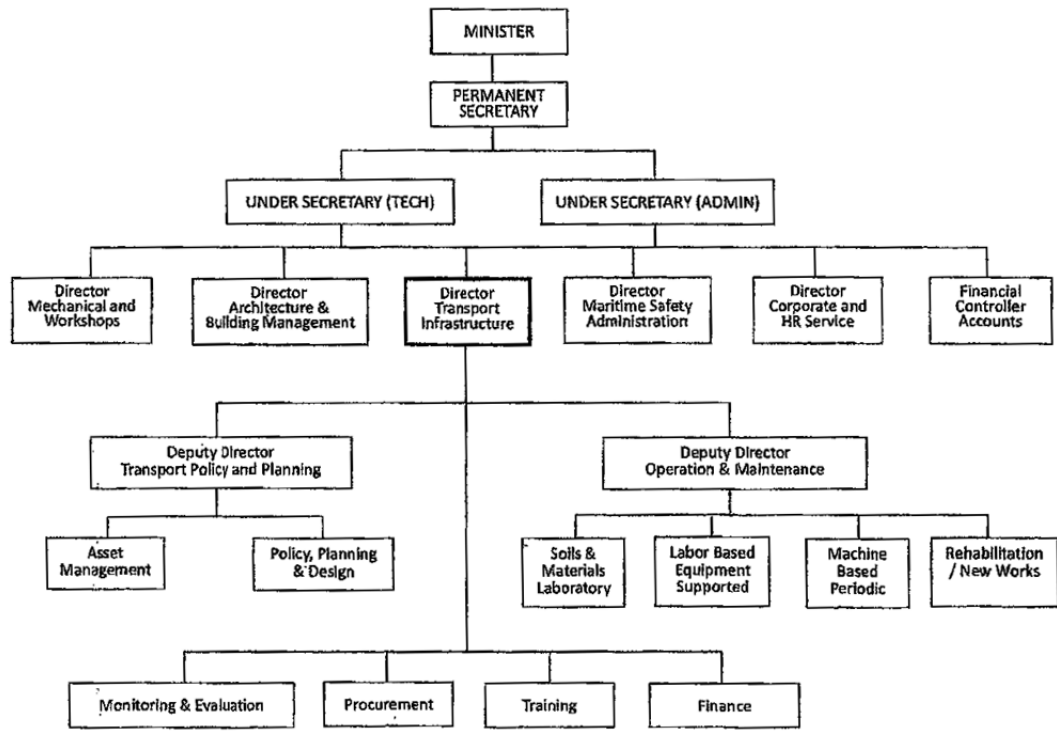
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LOCATION MAP

Annex-1: Project Site

Annex-2: Organization Chart of MLD



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JAPAN'S GRANT AID

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 this law and the decision of 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 provided to a recipient country to procure the facilities, equipment and services (engineering services and transportation of the products, etc.) for its economic and social development 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 supplied through following procedures:

- Preparatory Survey
 - The Survey conducted by JICA
- Appraisal & Approval
 - Appraisal by the GOJ and JICA, and Approval by the Japanese Cabinet
- Authority for Determining 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 preparatory Survey is to provide a basic document necessary for the appraisal of the Project made by the GOJ and JICA. The contents of the Survey are as follows:

- Confirmation of the background, objectives, and benefits of the Project and also institutional capacity of relevant agencies of the recipient country necessary for the implementation of the Project.



- 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 between both parties concerning the basic concept of the Project.
- Preparation of a outline 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 Outline Design of the Project is confirmed based on the guidelines of the Japan's Grant Aid scheme.

JICA requests the Government of the recipient country to take whatever measures necessary to achieve 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 of the recipient country which actually implements the Project. Therefore, the implementation of the Project is confirmed by all relevant organizations of the recipient country based on the Minutes of Discussions.

(2) Selection of Consultants

For smooth implementation of the Survey, JICA employs (a) registered consulting firm(s). JICA selects (a) firm(s) based on proposals submitted by interested firms.

(3) Result of the Survey

JICA reviews the Report on the results of the Survey and recommends the GOJ to appraise the implementation of the Project after confirming the appropriateness 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 pledge 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

In order to maintain technical consistency, the consulting firm(s) which conducted the Survey will be recommended by JICA to the recipient country to continue to work on the Project's implementation after the E/N and G/A.






(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 fulfill 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 Annex5.

(6) "Proper Use"

The Government of the recipient country is required to maintain and use properly and effectively the facilities constructed and the equipment purchased under the Grant Aid, to assign staff necessary for this operation and maintenance and 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 under 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)

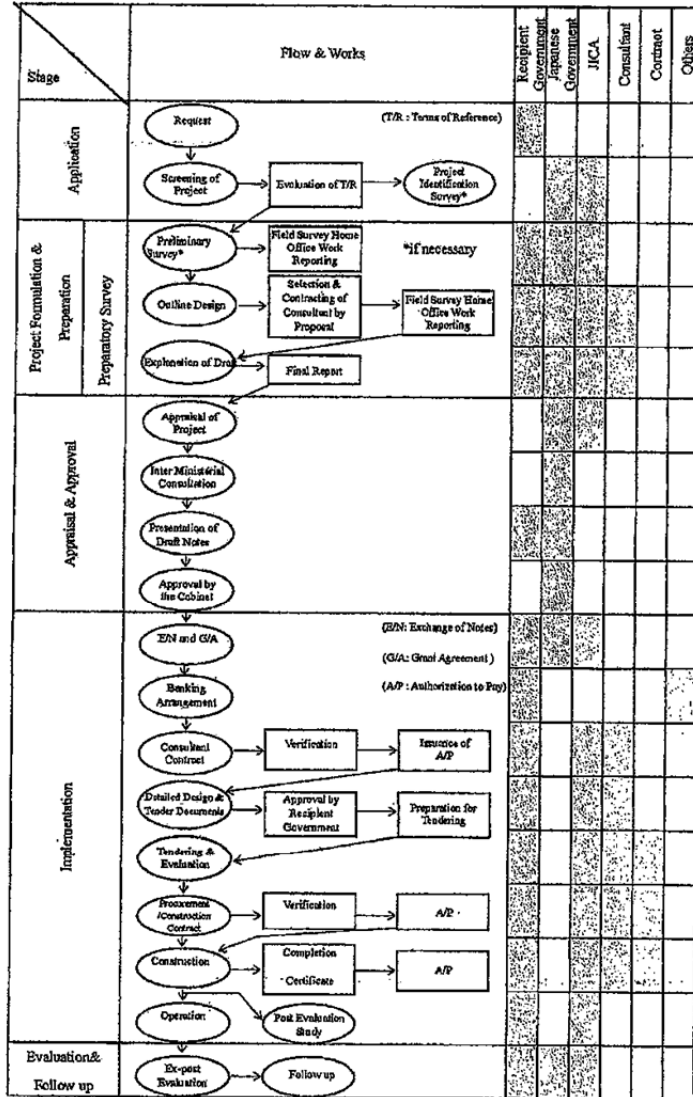
The Government of the recipient country should bear an advising commission of an Authorization to Pay and payment commissions paid to the Bank.

(10) Social and Environmental Considerations

A recipient country must carefully consider social and environmental impacts by the Project, and must comply with the environmental regulations of the recipient country and JICA socio-environmental guidelines.



Annex 4: Flowchart of Japan's Grant Aid Procedure



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Annex-5: 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 lots of land necessary for the implementation of the Project and to clear the site		●
2	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 customs clearance of the products at ports of disembarkation		●
	3) Internal transportation from the port of embarkation to the project site	(●)	(●)
3	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.		●
4	To accord Japanese physical persons and / or physical persons of third countries 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 implementation of the Project.		●
5	To ensure that the Facilities be maintained and used properly and effectively for the implementation of the Project.		●
6	To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project.		●
7	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		●
8	3) 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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準備調査報告書（案）説明

**MINUTES OF DISCUSSIONS
ON
THE PREPARATORY SURVEY
FOR
THE PROJECT FOR UPGRADING OF THE KUKUM HIGHWAY
IN
SOLOMON ISLANDS**

(Explanation of the Draft Outline Design Report)

On the basis of the previous preparatory surveys in the Solomon Islands three times from November to December, 2013, from February to March, and in April, 2014 and following technical examination in Japan, Japan International Cooperation Agency (hereinafter referred to as “JICA”) prepared a Draft Outline Design Report (hereinafter referred to as “the Report”) on the Project for Upgrading of the Kukum Highway (hereinafter referred to as “the Project”).

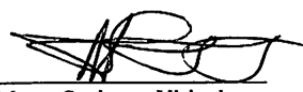
The Preparatory Survey Team visiting Solomon Islands from Aug. 24th, 2014 to Aug. 30th, 2014 (hereinafter referred to as “the Team”), headed by Dr. Nobuyuki Tsuneoka, Senior Advisor of JICA, explained to and consulted with the Ministry of Infrastructure Development (hereinafter referred to as “MID”) and the concerned officials of the Government of Solomon Islands (hereinafter referred to as “the SIG”) on the contents of the Report.

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

Honiara, August 29th, 2014



Nobuyuki Tsuneoka
Leader
Preparatory Survey Team
Japan International Cooperation Agency
Japan



Moses Soajonga Virivolomo
Permanent Secretary
Ministry of Infrastructure Development
Solomon Islands

ATTACHMENT

1. Components of the Draft Outline Design Report

- 1.1. The Solomon side agreed and accepted the contents of the Report explained by the Team. In particular, the components of the Project described below as a) to f), which were presented by the Team during its stay in this time, as a result of succeeding surveys and thorough technical examination, were discussed and agreed by both sides to be conducted.
 - a) Upgrading of the Kukum Highway (section from City Council Roundabout to Ministry of Fishery, approx. 3 km)
 - b) Countermeasures against traffic congestion around the Central Market
 - c) Improvement of City Council Roundabout
 - d) Widening of New Mataniko Bridge (from 2-lane to 4-lane)
 - e) Replacement of Old Mataniko Bridge (1-lane to 2-lane)
 - f) Soft Component for traffic management around the Central Market

2. Cost Estimation for the Project

- 2.1. The Team explained to the Solomon side the estimate of the Project Cost described in Annex-1; while the final Project Cost to be described in the Exchange of Notes (hereinafter referred to as "E/N") would be appraised by the Government of Japan (hereinafter referred to as "GOJ").
- 2.2. Both sides further confirmed that the Project Cost Estimation in Annex-1, and details of the construction works in the Report should never be duplicated and/or disclosed to any third parties UNTIL all the contracts for the Project are concluded.
- 2.3. The Team explained and the Solomon side agreed that the cost for land acquisition is also subject to change but in principle it will be compensated at full replacement cost according to the JICA Guidelines for Environmental and Social Considerations (hereinafter referred to as "JICA Guidelines").

3. Undertakings by the Solomon Side

- 3.1. The Solomon side promised to undertake the Major Undertakings to be Taken by SIG for the Project listed in Annex-2 at full responsibility and its own expenses based on the contents of the Report.
- 3.2. The Solomon side confirmed that the customs duties, internal taxes and other fiscal levies, imposed in Solomon Islands with respect to the purchase of the products and the services should be exempted in accordance with the regulations of E/N between the two governments.
For the sake of this smooth tax exemption procedures, the Team strongly recommended



MID (1) that MID would begin necessary preparations of the application of tax exemption mentioned above and consultation with Ministry of Finance and Treasury (hereinafter referred to as MoFT) and relevant organizations, if any, based on the past E/N contents, e.g. those of "Project for Improvement of Honiara Port Facilities", as soon as possible, (2) that MID would consult with MoFT to acquire "umbrella-type" comprehensive approval about the tax exemption from MoFT, based on expected all equipment to be imported, just after the completion of detailed design, and (3) that MID would consult with MoFT again to ask them to apply "automatically" tax exemption procedures for each shipment time in response to MID's request based on the "umbrella-type" comprehensive approval mentioned in above (2). MID replied to try to do so.

In case the exemption would not be processed in a timely manner, anyhow, both sides confirmed such tentative payment(s) would be owed by the Solomon side.

- 3.3. The Solomon side promised to execute the undertakings listed in Annex-2 in time, duly understanding the possibilities of the suspension / termination of this grant financial assistance if there will be violations on the undertakings.
- 3.4. The Solomon side explained that they are preparing the divided budget for their undertakings and that they had already requested SBD 10 million for a fiscal year 2015 in July 2014 (remaining SBD 4 million for 2016 is expected to be requested in 2015 appropriately). For each fiscal year, the Solomon side promised to request budgeting in advance, to make their best efforts to obtain parliament approval in time and to report its approval progress to JICA Solomon office in order to ensure the budgeting. If the budget cannot be approved in time and/or appropriately, there is a possibility that the Project might be suspended / terminated.
- 3.5. The Solomon side agreed that MID will report to JICA Solomon office the progress of their undertakings by the Solomon side until all the works to be done. Reports to JICA Solomon office shall be submitted monthly with actual progress bar chart in Annex-2. Other than the monthly report, MID shall reply if requested by JICA.

4. Operation and Maintenance of the Facilities

- 4.1. The Solomon side agreed to secure enough staff and budgets necessary for appropriate operation and maintenance of the facilities constructed by the Project. The annual operation and maintenance costs are estimated and shown in the table below.

Maintenance Item	Frequency	Location	Work Items	Annual Cost (SBD)
Cleaning and Inspection				
1) Pavement	2 times/years	Pavement surface	Cleaning and inspection	30,000
2) Drainage Facilities	2 times/years	Inside of drainages	Cleaning and inspection	100,000
3) Bridges	2 times/years	All parts of bridges	Cleaning and inspection	6,000
Subtotal of annual cost of cleaning and inspection				136,000

Repair and Rehabilitation				
1) Pavement	Once/2 years	Pavement	Crack sealing, Pothole patching etc.	150,000
2) Road Markings	Once/2 years	Road surface	Repair of damaged parts	50,000
3) Drainage Facilities	Once/2 years	Drainage facilities	Repair of damaged parts	100,000
4) Other Road Facilities	Once/5 years	Street lights and others	Repair of damaged parts	7,000
5) Bridges	Once/10 years	Damaged parts of bridges	Repair of damaged parts	22,000
Subtotal of annual cost of repair and rehabilitation				329,000
Operation and management of a crosswalk and an underpass				183,000
Total				648,000

- 4.2. The Solomon side will take every necessary action to maintain the drainage facilities and avoid clogging which could cause overflowing and damages to the road.
- 4.3. The Team explained and the Solomon side agreed that taking necessary actions to let the road users respect traffic regulations are fundamental regarding the following three issues to maintain the facilities and to ensure road safety.
- 4.3.1. Although the project includes some facilities to ensure traffic safety such as guardrails increasing traffic will inevitably raise the risks of accidents.
- 4.3.2. Overloading trucks which would exceed designed live load would cause earlier rehabilitation and shorter life.
- 4.3.3. Proper asset management will impact greatly to maintenance cost and lifespan.

5. Environment and Social Considerations

- 5.1. Both sides confirmed that information on environmental and social considerations including major impacts and relevant mitigation measures is summarized in the Environmental Checklist attached as Annex-3. MID confirmed that they will inform JICA of any major changes, which may affect environmental and social considerations, by revising the Checklist in a timely manner.
- 5.2. Both sides confirmed continuous environmental monitoring will be conducted by MID in accordance with the Environmental Checklist and Monitoring Form attached as Annex-3 and Annex-4.
- 5.3. MID confirmed that the results of environmental monitoring will be provided to JICA by filling in Environmental Monitoring Form attached as Annex-4 on a quarterly basis until the completion of the Project, provided that there is no outstanding issue regarding the environmental and social considerations during implementation of the Project. In case JICA finds that there is necessity for improvement in a situation with respect to environmental and social considerations after the agreed monitoring period, JICA can request to extend the period of monitoring and reporting until JICA confirms the issues




have been properly addressed.

- 5.4. MID agreed JICA's disclosure of provided monitoring results in the Environmental Monitoring Form attached as Annex-4 on JICA's website.
- 5.5. MID confirmed they will submit the Abbreviated Resettlement Action Plan (ARAP) as well as updated ARAP to JICA if any changes are necessary, and JICA will review it.

6. Japan's Grant Aid Scheme

- 6.1. The Solomon side fully understood and reconfirmed the scheme of the Japan's Grant Aid and the necessary measures to be undertaken by the Solomon side, which was explained by the Team and agreed as the Minutes of Discussion signed on 21st November, 2013.
- 6.2. Exchange of Notes (E/N) and Grant Agreements (G/A) will be signed twice, respectively, i.e. the one as for detailed design and the other as for construction.

7. Schedule of the Study

- 7.1. JICA will complete the Final Report of the Preparatory Survey both in Japanese and English, in accordance with the confirmed items, and send the English version to the Solomon side around December, 2014.
- 7.2. The above schedule is tentative and subject to change.

8. Disclosure of Information

- 8.1. Both Sides confirmed that the study results excluding the Project cost estimation and details of the construction works will be disclosed to the public after completion of the Preparatory Survey. All the study results including the Project cost and details of the construction works will be disclosed to the public AFTER all the contracts for the Project are concluded.

9. Collaboration among Relevant Organizations

- 9.1. During the survey, both sides jointly held stakeholder meetings in order to share the information for smooth implementation of the Project.
- 9.2. MID promised to work closely with relevant organizations, such as the Office of the Prime Minister and Cabinet, MoFT, Ministry of Development Planning and Aid Coordination (MDPAC), Ministry of Foreign Affairs and Trade, Ministry of Environment Climate Change, Disaster Management and Meteorology (MECDM), Ministry of Land, Housing and Survey (MoLHS) and Honiara City Council, with mutual common understanding and cooperation for the Project.
- 9.3. MID will continuously take actions to aware the road users of the infrastructures covered by the project to ensure road safety and proper use.



- Annex-1: Project Cost Estimation
- Annex-2: Major Undertakings to be taken by SIG
- Annex-3: Environmental Checklist
- Annex-4: Environmental Monitoring Form



Annex-1: Project Cost Estimation

CONFIDENTIAL

(1) Cost Estimation Borne by the Government of Japan

Components		Cost Estimation (Million Yen)
Construction	Countermeasures around the Central Market	2,747.9
	Improvement of City Council Roundabout	
	Upgrading of the Kukum Highway	
	Widening of New Mataniko bridge	
	Replacement of Old Mataniko bridge	
Detailed design and Procurement Supervision (incl. Soft Component)		228.5
Total		2,976.4

(2) Cost Estimation Borne by the Government of Solomon Islands

Items	Cost Estimation (SBD)
Land acquisition	4,569,000
Structure compensation	852,000
Relocation of utilities	7,766,000
Renting lands for contractor's office & construction	240,000
Royalties for quarry and borrow pits	75,000
Renting lands for contractor's plant yards	100,000
UXO survey & clearance	20,000
Payment of bank commission	112,000
Employment of traffic officers to operate the crosswalk and security guards for the underpass (cost for the first year)	183,000
Total	13,917,000

(3) Conditions of Cost Estimation

- Estimated timing: April 2014
- Exchange rates: USD 1.00 = JPY 103.76
SBD 1.00 = JPY 14.12
- Others: The project is implemented in accordance with the system of Japan's Grant Aid. The above cost estimation does not assure the ceiling cost on the E/N and shall be reviewed by GOJ before the E/N between the two governments.

Annex -2: Major Undertakings to be taken by SIG

(1) Undertakings of which progress required to be shared with and to be reported to JICA in a timely manner

The Solomon side is required to implement following items described below and report to JICA Solomon office monthly and the times when the items marked "▼" is done, as well as at the beginning and end points of the bar charts. Furthermore, MID is also required to report to JICA on an ad hoc basis in response to JICA's inquiries.

Undertaking	Month	2014				2015				Remarks			
		9	10	11	12	1	2	3	4		5	6	
Project Implementation	Exchange of Notes and Grant Agreement (P)				▼								
	Detailed design												
	Tender notice												
Securing Budget (See Annex-1 for items and estimated cost to be secured.)	Request of budget for FY 2015	Plan											(done in July 2014)
	Request of budget for FY 2016	Plan										▼	To be prepared just after the detailed design will have finished.
	Approval of budget for FY 2015	Plan	▼										Make best effort for parliament approval before the election in 2014
	Available timing for payment	Plan				▼							In case of the delay, appropriation budget should be utilized.
Tax Exemption (See 3. in the Attachments for exception)	Submission and authorization of tax exemption from MoFT	Plan											Begin preparation of application and consultation with MoFT referring to the existing E/Ns for the other projects.
	Submission of application for each tax payments	Plan											Application must be submitted each shipment time when the exemption will be required
Land Acquisition and Compensation for Structures	Issuance of an official letter to MoLHS	Plan											(done in August 2014)
	Nomination of a land acquisition officer (s)	Plan	▼										Recommendation has been already made in July 2014
	Preparation of ARAP	Plan											
	Stakeholder meeting for ARAP	Plan	▼										
	Submission of ARAP to JICA	Plan											
	Agreements with land owners	Plan											
	Payment of compensation for lands and structures	Plan											▼
Environmental & Social Considerations	Stakeholder meeting for Public Environmental Report (PER)	Plan	▼										
	Submission of PER to Environmental and Conservation Division (ECD) of MECDM	Plan											
	Receipt of Development Consent from ECD	Plan											
	Review and approval of Environmental Management Plan (EMP)	Plan											EMP shall be submitted by the Contractor during the preparation of construction
	Commencement of environmental monitoring	Plan											Quarterly monitoring report shall be submitted to JICA during construction
Relocation of Utilities	Discussions with utility companies to prepare contracts	Plan											
	Contracts with utility companies for relocation	Plan											
	Relocation to be done before tender (Type-1)	Plan											
	Relocation to be done during construction (Type-2&3)	Plan											Relocation shall be completed within 3 weeks from request during construction.
Provision of Temporary Work Yards	Negotiation with land owners	Plan											Temporary work yards shall be at New and Old Mananiko Bridge sites.
	Contracts for land rent	Plan											
Provision of yard for contractor's site office	Removal of existing structures from the yards	Plan											Temporary yard for contractor's site office shall be at MID storage yard
Provision of Borrow Pits and Quarry (ies)	Contract with borrow pits and quarry(ies) owners	Plan											Borrow pits shall be within 1km from the project site. Quarry(ies) shall be Tampoko River or Lungga River.
Provision of plant yard	Contract with plant yard owner	Plan											Plant yard shall be Airport or Tampoko whichever near to the provided quarry.
Provision of waste disposal area	Acquisition of approval of soil and construction waste disposal from the dump site owner (Honaria City Council)	Plan											Dump site shall be Ranadi Dump Site.
UXO survey and clearance	Contract with UXO survey company	Plan											UXO survey shall be conducted around construction area at New and Old Mananiko Bridge sites.
	UXO survey and clearance	Plan											
Payment of bank commission	Opening of bank account and arrange Authorization to Pay	Plan											
	Payment commission	Plan											

Note: Type-1: Utilities of which necessity of relocation are clear and they are to be relocated before the tender.
 Type-2: Utilities of which necessity of relocation are unclear, so the necessity of relocation will be cleared during the construction and they will be relocated, if necessary.
 Type-3: Utilities existing within the construction area and to be relocated within the construction area during the construction since places to be relocated outside of the construction area are unavailable.

(2) Other Undertakings necessary for smooth implementation of the Project

Items
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.
To accord Japanese physical persons and / or physical persons of third countries 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 implementation of the Project.
To ensure that the Facilities be maintained and used properly and effectively for the implementation of the Project.
To bear all the expenses, other than those covered by the Grant, necessary for the implementation of the Project even other than the cost shown in Annex-1 if necessary.
To support ensuring security for the personnel assigned to the Project and ensuring security at the Project sites, e.g. security information sharing, coordination with police, etc.
To cooperate in solving potential troubles with the local people or any third party in connection with the execution of the Project with close consultation with JICA.



Category	Items	Check points	Yes: Y No: N	Measures of Environmental and Social Considerations (Reasons for Yes or No, Bases, Mitigation measures)
1. Permits and explanation	(1) EIA and Environmental Permits	(a) Have EIA reports been officially completed? (b) Have EIA reports been approved by authorities of the host country's government? (c) Have EIA reports been unconditionally approved? If conditions are imposed on the approval of EIA reports, are the conditions satisfied? (d) In addition to the above approvals, have other required environmental permits been obtained from the appropriate regulatory authorities of the host country's government?	(a) N (b) N (c) N (d) N	(a) (b) (c) The host country has EIA system for development projects, and the project is the subject of the EIA system. In March 2014, the EIA procedure began with the submission a <i>application</i> to the environmental authority in the host country. The EIA procedure of the project is being implemented. (as of July 2014) (d) The project does not need other environmental permits.
	(2) Explanation to the Public	(a) Are contents of the project and the potential impacts adequately explained to the public based on appropriate procedures, including information disclosure? Is understanding obtained from the public? (b) Are proper responses made to comments from the public and regulatory authorities?	(a) Y (b) Y	(a) For the purpose of publicity of the project, MID and JICA held a consultation meeting inviting stakeholders, and explained the outlines of the project in March 2014. (b) On the consultation meeting, MID and JICA answered stakeholder's questions. For a part of opinions, reflection for plans is examined.
	(3) Alternatives	(a) Are the alternatives of the project examined in terms of the environmental and social matters?	(a) Y	(a) On the planning of a bridge and a roundabout, the alternatives have been examined in terms of environmental and social considerations.
2. Mitigation Measures	(1) Air Quality	(a) Is there a possibility that air pollutants emitted from various sources, such as vehicle traffic will affect ambient air quality? Does ambient air quality comply with the country's ambient air quality standards? (b) Where industrial areas already exist near the route, is there a possibility that the project will make air pollution worse?	(a) N (b) N	(a) The project will improve travel speed of vehicles, and reduce emissions. (b) There are industrial areas around the route. However, because the project itself does not change traffic volume, the project will not make air pollution worse.
	(2) Water Quality	(a) Is there a possibility that soil runoff from the bare lands resulting from earthmoving activities, such as cutting and filling will cause water quality degradation in downstream water areas? (b) Is there a possibility that surface runoff from roads will contaminate water sources, such as groundwater? (c) Do effluents from various facilities, such as stations and parking areas/service areas comply with the country's effluent standards and ambient water quality standards? Is there a possibility that the effluents will cause areas that do not comply with the country's ambient water quality standards?	(a) N (b) N (c) N	(a) The project is the improvement project of existing road facilities and has no large scale earthmoving, and will not affect water quality significantly. (b) Since the project is implemented in ROW and it is naturely the improvement of pavement, surface runoff from roads will not contaminate the water source. (c) The project does not have the facilities which discharge effluent such as stations and service areas.
	(3) Waste	(a) Are wastes derived from road facilities legally disposed?	(a) N	(a) The project does not have the facilities which discharge waste such as stations and service areas.
	(4) Noise and Vibration	(a) Do noise and vibrations from vehicle traffic comply with the country's standards?	(a) N	(a) The host country does not have noise and vibration standards.

Annex -3: Environmental Check List (1)

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Category	Items	Check points	Yes: Y No: N	Measures of Environmental and Social Considerations (Reasons for Yes or No, Bases, Mitigation measures)
3. Natural Environment	(1) Protected Areas	(a) Is the project site located in protected areas designated by the country's law or international treaties and conventions? Is there a possibility that the project will affect the protected area?	(a) N	(a) The project site is located on urban areas. There are no protected areas around the project site.
	(2) Ecosystem	(a) Does the project site encompass primeval forests, tropical rain forests, ecologically valuable habitats? (b) Does the project site encompass the protected habitats of endangered species designated by the country's law or international treaties and conventions? (c) If significant ecological impacts are anticipated, are adequate protection measures taken to reduce the impacts on the ecosystem? (d) Are adequate protection measures taken to prevent impacts, such as disruption of migration routes, habitat fragmentation, and traffic accident of wildlife and livestock? (e) Is there a possibility that installation of roads will cause impacts, such as destruction of forest, poaching, etc? (f) In case where the project site is located at undeveloped areas, is there a possibility that the new development will result in extensive loss of nature environments?	(a) N (b) N (c) N (d) N (e) N (f) N	(a) (b) (c) (d) (e) (f) The project site is located on urban areas, and there are no valuable ecosystem such as primeval forests, tropical rain forests around the site. The project is the improvement in the existing road facilities, and will not cause the losses of nature environment.

Annex -3: Environmental Check List (2)

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Category	Items	Check points	Yes: Y No: N	Measures of Environmental and Social Considerations (Reasons for Yes or No, Bases, Mitigation measures)
3. Natural Environment	(3) Hydrology	(a) Is there a possibility that alteration of topographic features and installation of structures, such as tunnels will adversely affect surface water and groundwater flows? (b) Does structures affect the flows of surface and underground water?	(a)N (b)N	(a) Since the project is the development of an existing road and bridges and the construction scale is small, impacts on water flow will less affect. (b) The project has piers of the bridges in the Mataniko River. Because the location and number of piers is same as the existing bridge, the piers will not affect the flows of the Mataniko River.
	(4) Topography and Geology	(a) Is there a soft ground on the route that may cause slope failures or landslides? Are adequate measure considered to prevent slope failures or landslides, where needed? (b) Is there a possibility that civil works, such as cutting and filling will cause slope failure or landslides? Are adequate measure considered to prevent slope failure or landslides? (c) Is there a possibility that soil runoff will result from cut and fill areas, waste soil disposal sites, and borrow sites? Are adequate measure taken to prevent soil runoff?	(a) N (b) N (c) N	(a) (b) (c) The project is basically implemented in the ROW of the existing road, and cutting and filling work which cause slope failure or landslides will be implemented.
	(1) Resettlement	(a) Is involuntary resettlement caused by project implementation? If involuntary resettlement is caused, are efforts made to minimize the impacts caused by the resettlement? (b) Is adequate explanation on relocation and compensation given to affected persons prior to resettlement? (c) Is the resettlement plan, including proper compensation, restoration of livelihoods and living standards developed based on socioeconomic studies on resettlement? (d) Are compensations paid prior to the resettlement? (e) Are compensation policies issued written instructions? (f) Does the resettlement plan pay particular attention to vulnerable groups or persons, including women, children, the elderly, people below the poverty line, ethnic minorities, and indigenous peoples? (g) Are agreements with the affected persons obtained prior to resettlement? (h) Is the organizational framework established to properly implement resettlement? Are the capacity and budget secured to implement the plan? (i) Are monitoring on the resettlement planned? (j) Is a plan developed to monitor the impacts of resettlement?	(a)N (b)N (c)- (d)- (e)- (f)- (g)- (h)- (i)- (j)-	(a) (b) The project implementation does not cause involuntary resettlement (c) (d) (e) (f) (g) (h) (i) (j) The project needs land acquisitions on the implementation and some losses of properties. Therefore RAP encompassing the items of JICA guidelines are being prepared.

Annex -3: Environmental Check List (3)

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Category	Items	Check points	Yes: Y No: N	Measures of Environmental and Social Considerations (Reasons for Yes or No, Bases, Mitigation measures)
4. Social Environment	(2) Living and Livelihood	(a) Where roads are newly installed, is there a possibility that the project will affect the existing means of transportation and associated workers? Is there a possibility that the project will cause significant impacts, such as extensive alteration of existing land uses, changes in sources of livelihood, or unemployment? Is adequate measure considered for preventing these impacts? (b) Is there a possibility that the project will adversely affect the living condition of inhabitants other than the affected inhabitants? Are adequate measures considered to reduce the impacts, if necessary? (c) Is there a possibility that diseases, including communicable diseases, such as HIV will be introduced due to immigration of workers associated with the project? Are adequate considerations given to public health, if necessary? (d) Is there a possibility that roads and railways will cause impede the movement of inhabitants? (e) Is there a possibility that structures associated with roads such as bridges will cause a sun shading and radio interference?	(a) N (b) N (c) N (d) N (e) N	(a) The project is the improvements of the existing road facilities, and will not affect the existing means of transportation and associated workers, land use, livelihood. (b) Since the project is the improvements of the existing road facilities, the project will improve living conditions of inhabitants. (c) The construction activities of the project depends on mainly heavy machinery, workers will not concentrate excessively. (d) The project is the improvements of the existing road facilities, and will not impede the movement (e) The project does not include an overpass structure, and does not cause a sun shading and radio interference.
	(3) Heritage	(a) Is there a possibility that the project will damage the local archeological, historical, cultural, and religious heritage sites? Are adequate measures considered to protect these sites in accordance with the country's laws?	(a) N	(a) There are no archeological, historical, cultural, and religious heritage sites around the project site. Moreover, the project is basically implemented in the existing ROW.
	(4) Landscape	(a) Is there a possibility that the project will adversely affect the local landscape? Are necessary measures taken?	(a) N	(a) The project is the improvements of the existing road and bridges, and will not adversely affect the local landscape?
	(5) Ethnic Minorities and Indigenous Peoples	(a) Where ethnic minorities and indigenous peoples are living in the rights-of-way, are considerations given to reduce the impacts on culture and lifestyle of ethnic minorities and indigenous peoples? (b) Does the project comply with the country's laws for rights of ethnic minorities and indigenous peoples?	(a) N (b) -	(a) The project site is located on urban areas, and there are no ethnic minorities and indigenous peoples. (b) The project is implemented based on the host country's laws.

Annex -3: Environmental Check List (4)

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Category	Items	Check points	Yes: Y No: N	Measures of Environmental and Social Considerations (Reasons for Yes or No, Bases, Mitigation measures)
4. Social Environment	(6) Working conditions	(a) Is the project proponent not violating any laws and ordinances associated with the working conditions of the country which the project proponent should observe in the project? (b) Are tangible safety considerations in place for individuals involved in the project, such as the installation of safety equipment which prevents industrial accidents, and management of hazardous materials? (c) Are intangible measures being planned and implemented for individuals involved in the project, such as the establishment of a safety and health program, and safety training (including traffic safety and public sanitation) for workers etc? (d) Are appropriate measures being taken to ensure that security guards involved in the project do not violate safety of other individuals involved, or local residents?	(a) Y (b) N (c) N (d) N	(a) The project is implemented based on the host country's laws. (b) On the construction activities, safety considerations for workers and the public are needed. (c) The establishment of safety and health program and safety training for workers should be implemented on the project implementation. (d) So far, security on the project implementation is unclear.
5. Others	(1) Impacts during Construction	(a) Are adequate measures considered to reduce impacts during construction (e.g., noise, vibrations, turbid water, dust, exhaust gases, and wastes)? (b) If construction activities adversely affect the natural environment (ecosystem), are adequate measures considered to reduce impacts? (c) If construction activities adversely affect the social environment, are adequate measures considered to reduce impacts?	(a) Y (b) Y (c) Y	(a) (b) (c) Because construction activities may cause environmental and social impacts, the environmental and social considerations were examined, and described on the PER (IEE document in the host country).
	(2) Monitoring	(a) Does the proponent develop and implement monitoring program for the environmental items that are considered to have potential impacts? (b) Are the items, methods and frequencies included in the monitoring program judged to be appropriate? (c) Does the proponent establish an adequate monitoring framework (organization, personnel, equipment, and adequate budget to sustain the monitoring framework)? (d) Are any regulatory requirements pertaining to the monitoring report system identified, such as the format and frequency of reports from the proponent to the regulatory authorities?	(a) Y (b) Y (c) Y (d) Y	(a) (b) (c) (d) The proponent is preparing the PER, and describing a monitoring items and framework.
6. Note	Note on Using Environmental Checklist	(a) If necessary, the impacts to transboundary or global issues should be confirmed, if necessary (e.g., the project includes factors that may cause problems, such as transboundary waste treatment, acid rain, destruction of the ozone layer, or global warming).	(a) Y: Global warming	(a) The construction work of the project uses heavy machinery. These emits CO2. On the implementation of the construction work, CO2 reduction should be considered.

Annex -3: Environmental Check List (5)

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Annex -4: Environmental Monitoring Form

Table 1 Monitoring Plan

Environmental Items	Location	Means of Monitoring	Criteria	Frequency
Air pollution	Construction site	Confirmation of the construction plan and the observance of it	The construction plan considers air pollution.	Before the construction activities
		Control of fuel consumption of heavy machinery and vehicles	The fuel consumptions are according to the construction plan.	Every month
		Visual inspection for the mechanical conditions of heavy machinery and vehicles	No trouble on the heavy machinery and vehicles	Every month
Water pollution	Construction site	Confirmation of the construction plan	The construction plan considers water pollution.	Before the construction activities
		Visual inspection for the piling work	Water pollution of Mataniko River is prevented with appropriate measures.	Every two weeks during the piling work
		Visual inspection for the mitigation measures against soil outflow	Measures against oil outflow are implemented.	Every month
Waste	Construction site	Reuse of waste surplus soil	Waste surplus soil is reused suitably.	Before the construction activities
Soil pollution	Construction site	Visual inspection for the mechanical conditions of heavy machinery and vehicles	No trouble on the heavy machinery and vehicles	Every month
Noise and vibration	Construction site	Confirmation of the construction plan and the observance of it	The construction plan considers noise and vibration.	Before the construction activities
		Visual inspection for the mechanical conditions of heavy machinery and vehicles	No trouble on the heavy machinery and vehicles	Every month
Involuntary resettlement	Construction site	Visual inspection and interview for land owners	Resettlement and compensation procedure is appropriate.	Before construction
Existing social infrastructures and services	Construction site	Confirmation for the construction plan	The construction plan has mitigation measures against road congestion under construction periods, such as the securing of detour.	Before construction
Accidents	Construction site	Confirmation for the construction plan	The construction plan considers safety enough.	Before construction
		Visual inspection for machinery condition and operation	The machinery keeps good condition. The machinery operation is appropriate.	Every month
		Visual inspection for safety measures	Safety measures are definitely implemented.	Every month
Climate change	Construction site	Confirmation of the fuel consumption of heavy machinery and vehicles	The fuel consumptions are according to the construction plan.	Every month

Table2 Monitoring Form

Environmental Items	Location	Criteria	Monitoring	
			Date and Time	Results
Air pollution	Construction site	The construction plan considers air pollution.		
		The fuel consumptions are according to the construction plan.		
		No trouble on the heavy machinery and vehicles		
Water pollution	Construction site	The construction plan considers water pollution.		
		Water pollution of Mataniko River is prevented with appropriate measures.		
		Measures against oil outflow are implemented.		
Waste	Construction site	Waste surplus soil is reused suitably.		
Soil pollution	Construction site	No trouble on the heavy machinery and vehicles		
Noise and vibration	Construction site	The construction plan considers noise and vibration.		
		No trouble on the heavy machinery and vehicles		
Involuntary resettlement	Construction site	Resettlement and compensation procedure is appropriate.		
Existing social infrastructures and services	Construction site	The construction plan has mitigation measures against road congestion under construction periods, such as the securing of detour.		
Accidents	Construction site	The construction plan considers safety enough.		
		The machinery keeps good condition. The machinery operation is appropriate.		
		Safety measures are definitely implemented.		
Climate change	Construction site	The fuel consumptions are according to the construction plan.		

Monitoring implementation

MID is responsible for the environmental monitoring during the implementation of the Project with the assistance of Consultant and Contractor. MID reports the monitoring results to ECD and JICA Office every month.