

RECORD OF DISCUSSIONS

FOR

**PROJECT ON KATHMANDU VALLEY URBAN TRANSPORT SYSTEM
MASTER PLAN**

AGREED UPON BETWEEN

MINISTRY OF PHYSICAL INFRASTRUCTURE AND TRANSPORT

OF

THE GOVERNMENT OF NEPAL

AND

JAPAN INTERNATIONAL COOPERATION AGENCY

Dated November 24, 2023

7

A.O

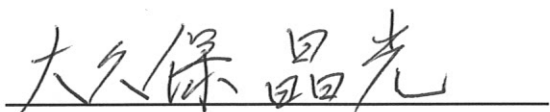
Based on the minutes of meetings on the Detailed Planning Survey for the Project on Kathmandu Valley Urban Transport System Master Plan (hereinafter referred to as “the Project”) signed on 20th October, 2023 between Ministry of Physical Infrastructure and Transport of the Government of Nepal (hereinafter referred to as “MOPIT”) and the Japan International Cooperation Agency (hereinafter referred to as “JICA”), held a series of discussions with MOPIT and relevant organizations to develop a detailed plan of the Project.

The purpose of this record of discussions (hereinafter referred to as “the R/D”) is to establish a mutual agreement for its implementation by both parties and to agree on the detailed plan of the Project as described in the followings and the Annex 1 to 6, which will be implemented within the framework of the Agreement on Technical Cooperation signed on 3rd September, 2003 (hereinafter referred to as “the Agreement”) and the Note Verbales exchanged on 31st May, 2023 between the Government of Japan and the Government of Nepal.

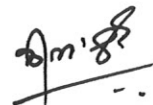
The Counterpart will be responsible for the implementation of the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of Nepal.

Both parties also agreed that the Project will be implemented in accordance with the “Basic Principles for Technical Cooperation” published in January 2022 (hereinafter referred to as “the BP”), unless other arrangements are agreed in the R/D.

The R/D is delivered at Kathmandu as of the day and year first above written. The R/D, except Annex 3 and 6 may be amended by minutes of meetings between both parties. The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the R/D.



OKUBO Akimitsu
Chief Representative
JICA Nepal Office
Japan International Cooperation Agency



Bhimarjun Adhikari
Joint Secretary
Ministry of Physical Infrastructure and
Transport

Annex 1	Project Description
Annex 2	Main Points Discussed
Annex 3	Drafts of TOR for environmental and social considerations studies
Annex 4	Implementation Structure
Annex 5	List of Proposed Members of Joint Coordinating Committee
Annex 6	Basic Principles of Technical Cooperation

29

A.S

PROJECT DESCRIPTION

I. Situation of Urban Transport in Kathmandu Valley

The Kathmandu Valley, consisting of Kathmandu District, Lalitpur District, and Bhaktapur District, is the largest political, economic, and social center of Nepal. The population of the Kathmandu Valley increased from approximately 1.6 million in 2001 to approximately 3.03 million in 2021 and expected to reach approximately 3.74 million by 2030. Kathmandu Valley is an ancient city that has existed since the 5th century, and it is difficult to expand the road network due to geographical restrictions by the elevation differences. Currently, the only public transportation system in the region is bus transportation operated by private companies, which is unable to absorb the traffic demand sufficiently, and traffic congestion in the region is getting worse. Under such situation, a comprehensive public transportation system including track system is desired.

JICA implemented the "The Project on Urban Transport Improvement for Kathmandu Valley" in response to a request from the Government of Nepal, and in 2017, an Urban Transport Master Plan (Target Year 2030) (hereinafter referred to as "JICA MP") was formulated. Additionally, the "Data Collection Survey on Urban Transport in Kathmandu Valley " was conducted in 2019, with several proposals including the implementation of a track-based public transport system by 2030 to meet the increasing traffic demand in the long term. In addition to JICA MP and the Survey, other international donors have conducted several surveys on public transportation in Kathmandu Valley in the past, and each survey has made proposals for various modes and routes of public transportation and their necessity. Considering these circumstances, not only by reviewing these previous surveys but also by examining the current traffic condition and demand forecast taking into account the demographics after the earthquake, it is necessary to make a plan for optimal transportation network and system in Kathmandu Valley.

For the situation of urban transportation management in Nepal, in addition to Ministry of Physical Infrastructure and Transport (hereinafter referred to as "MOPIT"), various organizations are involved and play own roles and responsibilities, such as Ministry of Urban Development (hereinafter referred to as "MOUD"), Kathmandu Valley Development Authority (hereinafter referred to as "KVDA"), Investment Board Nepal (hereinafter referred to as "IBN"), Prime Minister's Office and Metropolitan Cities (each municipality).

In addition, due to the federal system introduced with the enforcement of the new constitution in 2015, functions are distributed to local governments, and projects related to urban transportation are being carried out without sufficient consistency with the urban planning of

6)

AS

the central government. For this reason, it is also necessary to organize the contents and scope of the jurisdiction of each organization and to propose and realize a cooperation system between organizations in order to develop the operation and management system of the public transportation system that will be required in the future.

II. Outline of the Project

1. Title of the Project

Project on Kathmandu Valley Urban Transport System Master Plan

2. Impact

Sustainable economic growth and reduction of environmental impacts such as traffic congestion and air pollution in the Kathmandu Valley will be promoted through the implementation and realization of projects based on the Master Plan.

3. Output

- (1) The comprehensive, sustainable, and updated Urban Transportation Master Plan in Kathmandu Valley focusing on mass transit (hereinafter referred to as "the MP") is prepared for approval.
- (2) High-priority mass transit route and mode are identified through the pre-feasibility study.
- (3) Appropriate coordination mechanism is provisionally developed for comprehensive urban transportation planning and management and for realization of the MP.

4. Activities

Activity 1: To prepare a comprehensive, sustainable, and updated Urban Transportation Master Plan in Kathmandu Valley.

- 1-1 Analyze transport and traffic data, current plans, and policies on urban transportation and public transportation.
- 1-2 Develop a traffic demand forecast model along with a manual and hands-on training on traffic survey and data analysis.
- 1-3 Create an urban transportation master plan with a suitable vision and strategy including a future public transportation network and a priority project list.
- 1-4 Design the institutional framework with organizational structure to implement the MP.

Activity 2 : To identify the high-priority mass transit route and mode in Kathmandu Valley through the pre-feasibility study.

- 2-1 Prioritize mass transit routes in Kathmandu Valley based on the priority project list in the MP.

7

A0

- 2-2 Select the high priority route and mode of mass transit for the pre-feasibility study.
- 2-3 Conduct the pre-feasibility study and prepare its report.

Activity 3 : To develop appropriate coordination mechanism and launch it during the period of the Project for comprehensive urban transportation planning and management, and realization of the MP.

- 3-1 Review the current situation of the coordination mechanism including existing committees or councils related to urban transport and urban planning in Kathmandu Valley and identify issues and challenges.
- 3-2 Propose provisional committee as a coordination mechanism among relevant organizations.
- 3-3 Hold meetings regularly to review and discuss urban transport policies and measures for realization of the projects proposed in the MP.
- 3-4 Discuss how this coordination mechanism could have continuous effect after the conclusion of the Project.

5. Period of the Project

The duration of the Project is three (3) years from the date on which the JICA Expert Team started on site activity in Kathmandu Valley. Tentative time frame of the project is as follows:

Year	1st year			2nd year			3rd year		
Main Activities	Output 1								
							Output 2		
	Output 3								
Report	▲ ICR		▲ PRR		▲ DITR	▲ ITR		▲ DFR	▲ FR
Seminar					▲ Seminar				
Observation Visit & Training		▲ Japan					▲ 3rd Country		
Committee		▲ JCC	▲ JCC	▲ JCC	▲ JCC	▲ JCC	▲ JCC	▲ JCC	▲ JCC

ICR: Inception Report, PRR: Progress Report, DITR : Draft Interim Report
 ITR: Interim Report, DFR: Draft Final Report, FR: Final Report
 JCC: Joint Coordination Committee,

2)

A.S

6. Implementing Agency and Structure

The project organization chart is given in Annex 4. The roles and assignments of relevant organizations are as follows:

(1) Joint Coordinating Committee

Joint Coordinating Committee (hereinafter referred to as "JCC") shall be established to facilitate inter-organizational coordination and chaired by Secretary of MOPIT. JCC will be held once in half a year and whenever it is deemed necessary. A list of proposed members of JCC is shown in the Annex 5. JCC shall be a Coordination Committee as a platform to evaluate and discuss the MP itself, and to confirm the result of the demand forecast, involving both urban transport sector, urban planning sector, experts and academics if needed in order to enhance the objectivity and neutrality of the policy or its process of reviewing.

JCC will be able to work as a Coordination Committee during the Project. However, this committee should continue to be held even after the Project had finished.

(2) Experts Committee

Experts Committee shall be organized to discuss specific technical matters related to urban transport and urban planning as Technical Working Group. It will be held as needed as a result of discussions among the Project Team during the Project.

(3) Project Director

Joint Secretary of MOPIT is the Project Director, and responsible for overall administration and implementation of the Project.

(4) Project Manager

Senior Divisional Engineer from MOPIT is the Project Manager, and responsible for the managerial and technical matters of the Project.

(5) JICA Expert Team

The JICA Expert Team is dispatched by JICA to Kathmandu Valley. The JICA Expert Team is composed of the selected specialists/experts to provide necessary technical assistance to MOPIT in developing the Plan.

7. Project Inputs (Japanese Side, any important inputs)

(1) Japanese Side

(a) Dispatch of Experts

JICA will dispatch JICA Expert Team composed of the selected specialists/experts to Kathmandu Valley in order to provide necessary technical assistance to MOPIT in

7)

AG

developing the Plan. Those expert members shown below is only a tentative plan. When the project starts, the detail dispatch plan of Experts will be informed to MOPIT.

- Team Leader/Urban Transport Planning
- Public Urban Transport Planning
- Traffic Survey/Demand Forecast
- ICT/DX/Data Utilization
- Urban Planning/TOD/Transportation Hub and Connectivity
- Land Use/GIS
- Organizational Structure for Urban Transport Operation and Maintenance
- Financial Arrangements/Business Implementation Planning
- Socio Economics Analysis
- Environmental and Social Considerations
- Gender Mainstreaming and Inclusive Approach
- Public Relations/Training Plan/Cross-Division Collaboration
- Road and Traffic Management
- Civil Engineering/Station and Transport Facility Planning
- Other Experts working on Pre-F/S of high-priority mass transit route and mode

(b) Observation Visit and Training Program

During the Project, a training program in Japan will be carried out to learn the comprehensive planning in the urban / public transportation sector for MOPIT and other organizations. Another training program will be organized for study tour of JICA funded projects in another countries. The training will invite maximum 12 officers for 10 days per time and will be conducted 2 times in total (one is in Japan, the other is in the third country.) Since JICA training program is normally for the middle management officers, JICA requested MOPIT to inform in advance if high level personnels need to be included.

(2) Nepal Side

MOPIT will take necessary measures to provide the following at its own expenses.

- (a) Assignment of administrative personnel and counterpart personnel from MOPIT and other organizations, who work on the Project during Project period.
- (b) Arrangement of a suitable office space with necessary equipment wherever possible.
- (c) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials if required for the implementation of the Project subject to the financial capacity.
- (d) Information as well as support in obtaining medical service.
- (e) Credentials or identification card (ID-card) for the members of the JICA Expert Team which are effective through the Project period.
- (f) Provision of available data (including maps and photographs) and information related

AC

26

to the Project.

(g)Running expenses (e.g., utility costs and salary of the counterparts' personnel) necessary for the implementation of the Project.

(h)Necessary support to members of the JICA Expert Team for the remittance as well as utilization of the funds introduced into Nepal from Japan in connection with the implementation of the Project; and

(i)Public relations with respect to the Project through the press office of Kathmandu.

8. Target Area

Kathmandu Valley (As same as JICA MP 2017)



Resource : THE PROJECT ON URBAN TRANSPORT IMPROVEMENT FOR KATHMANDU VALLEY (JICA MP 2017)

9. Reports

JICA will prepare and submit the following reports to MOPIT in English only. Reports in Nepali will not be prepared.

- Inception Report (ICR): 5 hard copies and one soft copy within one (1) month after the commencement of the Project.

2)

ASG

- Progress Report (PRR): 5 hard copies and one (1) soft copy.
- Draft Interim Report (DITR): one (1) soft copy.
- Interim Report (ITR) including Master Plan: 20 hard copies and one (1) soft copy.
- Draft Final Report (DFR): one (1) soft copy.
- Final Report (FR) including Master Plan and pre-feasibility report for high priority mass transit route and mode: 20 hard copies and one (1) soft copy.

Extra copies of the report of the Project shall be published by MOPIT at its own expenses. MOPIT agreed that the Final Report of the Project is open to the public at JICA WEB site.

29

X-9

MAIN POINTS DISCUSSED

1. Annex 1,2, 4 and 5

Both parties agreed on the contents of Annex 1, 4, and 5, which are categorized as references of the R/D. Both parties further agreed that the contents of R/D except Annex 3 and 6 may be modified by mutual confirmation such as determination of minutes of meetings usually after the Joint Coordinating Committee.

2. Environmental and Social Considerations

With regard to the Section 10.1 of the BP, since the Project is categorized as B under the 'JICA Guidelines for Environmental and Social Considerations (January 2022)' (hereinafter referred to as "the Guideline"), the necessary procedures are taken in accordance with the Guideline. Some examples include;

(1) Strategic Environmental Assessment (SEA)

The Project conducts Strategic Environmental Assessment in accordance with the Guideline.

(2) Initial Environmental Examination (IEE)-level environmental and social consideration

The Project conducts IEE-level environmental and social consideration for prioritized project proposed in a pre-feasibility study in accordance with the Guideline.

(3) Disclosure of the information regarding environmental and social considerations.

Both parties agreed that JICA discloses the front page of the R/D and drafts of TOR for environmental and social considerations studies attached as Annex 3 as agreement documents designated by the 3.3.2.7 of the Guideline. The front page of the R/D and drafts of TOR are disclosed on JICA's website promptly after concluding the R/D.

3. Gender Equality and Social Inclusiveness

Both parties confirmed that activities to promote gender equality and social inclusiveness should be duly practiced for the Project implementation.

In particular, both parties agreed on the following points to be integrated into the project design and implementation.

(1) Encouraging women's involvement and social inclusiveness in the Project by promoting active participation of women in meetings or social vulnerabilities in the early stage of decision-making during the Project study including public hearings or stakeholder meetings.

(2) Encouraging increase of employment and job training opportunities for women to the

potential service providers in the public transport proposed in the project by indicating the condition of gender equality and women's empowerment in the introductory documents.

- (3) Establishing an urban transport in consideration with gender and generational equality as well as social inclusiveness in the Project.

4. Climate Change Mitigation

Both parties confirmed that this project contributes to climate mitigation through promoting the modal shift from the people's modality with the private vehicles from public transportation by formulating the MP and implementation of the projects proposed by the MP.

5. Joint Working

Both parties understood the importance of the capacity building and collaboration work between the JICA Expert Team and relevant organizations during the Project, and MOPIT agreed to provision its utmost effort toward successful delivery of the Project. Both sides also agreed that the provision of necessary data by MOPIT and the participation by MOPIT in the part of preparation, supervision, and analysis on the collected data of the survey is necessary for the successful delivery of the Project.

6. Misconduct

All related personnel and organization shall keep the highest ethic and prevent any corrupt or fraudulent practices in the employment of the Project.

If JICA receives information related to suspected corrupt or fraudulent practices in the implementation of the Project, MOPIT and relevant organizations will provide JICA with such information as JICA may reasonably request, including information related to any concerned official of the government and/or public organizations of Nepal.

MOPIT and relevant organizations will not, unfairly, or unfavorably treat the person and/or company which provided the information related to suspected corrupt or fraudulent practices in the implementation of the Project.

7. Mutual Consultation and Mutual Understanding

JICA and MOPIT will consult each other whenever any major issues arise during Project implementation. MOPIT and JICA Expert Team are expected to work jointly and closely toward successful delivery of the Project.

8. Amendments

The R/D can be amended based on the Minutes of Meetings between JICA and MOPIT. The minutes of meetings shall be signed by authorized persons of each side who may be different



from the signers of this R/D.

9. Undertakings by the Government of Nepal

- (1) Government of Nepal and MOPIT will take necessary measures to grant free visa (i.e., Official visa – for official passport holder and Gratis Non-tourist visa/Gratis Working visa for ordinary passport holder) to JICA Experts and their family members, which are no less favorable than those granted to Experts and members of the mission and their families of third countries or international organization performing similar missions in Nepal. The Experts will be exempted from Labor Permit fee, visa fee and tax exemption in Nepal.
- (2) Other privileges exemptions and benefits will be provided in accordance with Agreement on Technical cooperation signed as on 3rd September 2003 between the Government of Japan & Government of Nepal.

27

A.C.

Terms of Reference for the Environmental and Social Considerations
(Draft)

During the Project on Kathmandu Valley Urban Transport System Master Plan (hereinafter referred to as 'Project'), an Strategic Environmental Assessment (SEA) should be carried out in accordance with the JICA Guidelines for Environmental and Social Considerations (hereinafter referred to as "JICA Guidelines"). The SEA study will be positioned as a preliminary environmental impact assessment of strategic actions, plans and programs proposed in the Project aiming to ensure that environmental aspects are effectively considered at the early stage of decision-making periods.

In addition to the SEA study, an Initial Environmental Examination (IEE) study for the prioritized projects in a pre-feasibility study should be carried out in accordance with the JICA Guideline for future implementation of the proposed prioritized projects to be implemented based on the environmental legal framework in Nepal.

Terms of Reference for the SEA and IEE study on the Project is summarized below. Tasks include the followings, but not limited to;

- Establishing SEA and IEE study team consisted of the personnel in charge of environmental and social consideration issues from Ministry of Physical Infrastructure and Transport (MOPIT) cooperating with JICA Experts.
- Conducting analysis of goals and objectives of the Project.
- Clarifying components of the prioritized projects or structural measures to be defined in the Project.
- Conducting environmental scoping analysis.
- Conducting baseline surveys related with environmental and social considerations in the Project, including land use, natural environment, social environment such as socio-economic condition and existence of vulnerable people.
- Confirming the legal and institutional framework of Nepal on environmental and social considerations, including;
 - a) Laws, regulations, and standards related to environmental and social considerations (e.g. environmental impact assessment procedure, land acquisition and resettlement procedure, pollution control standards, public participation, information disclosure, and others);
 - b) Gaps between the JICA Guidelines and the legal framework of Nepal on environmental and social considerations; and
 - c) Relevant organizations responsible for implementation of projects and their roles on environmental and social considerations.
- Conducting analysis of environmental impact assessment of the prioritized projects or structural measures to be defined in the Project.
- Conducting comparative analysis on alternative scenarios of the prioritized project or structural measures in terms of environmental, social, technical, economic, and financial aspects. This analysis includes 'Without Option' as one of the alternative scenarios for doing nothing. Evaluation of prioritized projects or structural measures is carried out from the aspect of

7

10

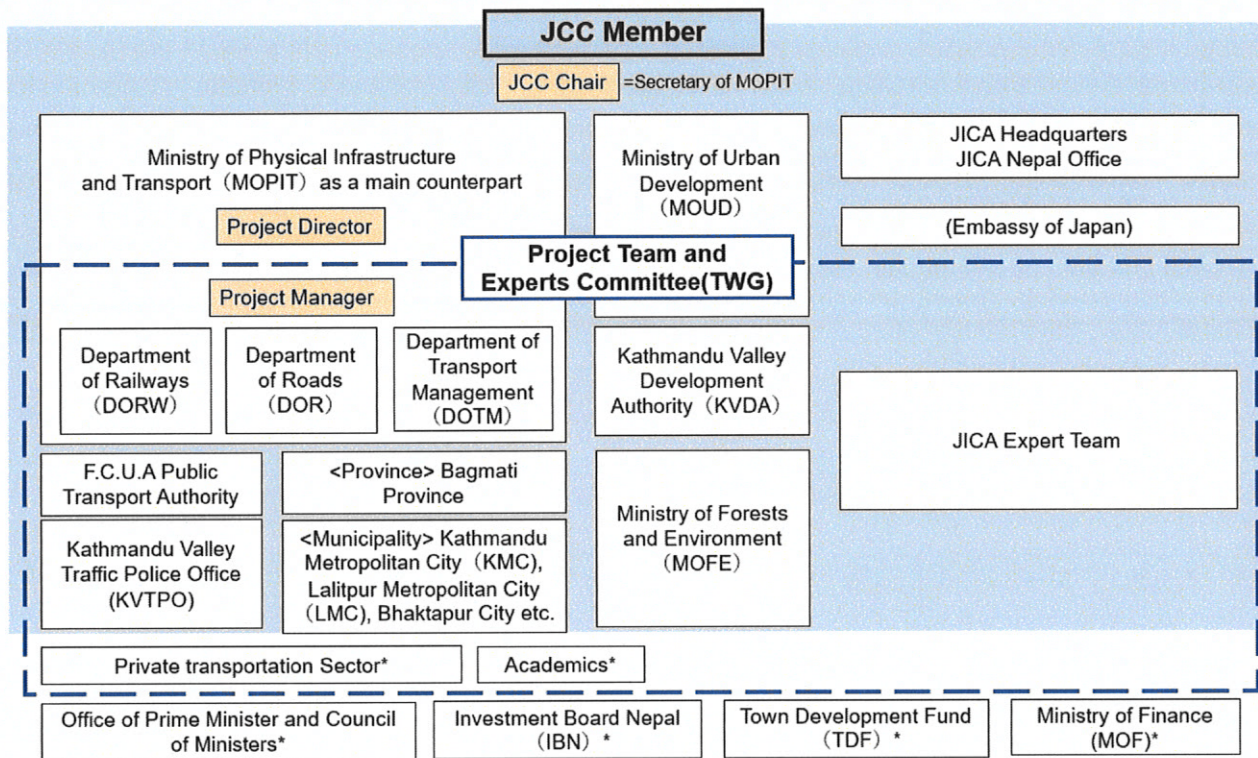
environmental and social consideration, and Items reflected to the master plan will be clarified.

- Conducting analysis of mitigation measures to avoid, minimize the potential negative impacts clarified in the analysis carried out in the previous or relevant studies.
- Examination of environmental monitoring methods (monitoring items, frequencies, and methods).
- Conducting analysis of monitoring plan for the prioritized project in the pre-feasibility study.
- Holding stakeholder meetings (namely as 'public hearing' in Nepal) through the certain preparatory activities followed by the environmental legal frameworks in Nepal including stakeholder analysis. The meetings will be held on the following stages;
 - 1) Stage of scoping analysis for public transportation development that could potentially be applied in the future; and
 - 2) Stage of preparation of the draft SEA reportEffectiveness, validity of methodology and timing of meetings shall be considered.
- Circulating the draft SEA report to relevant institutions/authorities for their comments, and finalizing the SEA report by incorporating the comments.

END



Project Implementation Structure



*Participants as needed

9

X-5

List of Proposed Members of Joint Coordination Committee

- Chair of JCC: Secretary of MOPIT
- Project Director: Joint Secretary of MOPIT
- Representatives from other organizations of JCC members
- Project Manager: Senior Divisional Engineer of MOPIT
- Project Team (headed by Project Manager)
 - Including the personnel from the following organizations
 - MOPIT (DOTM, DOR, DORW)
 - MOUD
 - KVDA
 - MOFE
 - F.C.U.A (UPTA)
 - Province (Bagmati Province)
 - Municipality (KMC, LMC, Bhaktapur City)
 - KVTPO
 - Other members as needed (e.g., Private Transport Sector, Academics)
 - JICA Experts
- Other members from Nepal side as needed (e.g., Office of Prime Minister and Council of Ministers, IBN, TDF, MOF)
- Other members from Japan side
 - JICA Nepal Office
 - JICA Headquarters
 - Embassy of Japan in Nepal (as an observer)
 - Other organizations as needed.

29

20

BASIC PRINCIPLES
FOR
TECHNICAL COOPERATION

January, 2022

JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)

7

AC

Basic Principles for Technical Cooperation
Table of Contents

I. Introduction	1
Section 1.1 Introduction	1
Section 1.2 Inconsistency with the R/D	1
II. Definition of Technical Cooperation	1
Section 2.1 Technical Cooperation	1
Section 2.2 Technical Cooperation Project	1
Section 2.3 Technical Cooperation for Development Planning	1
III. Implementation Structure	2
Section 3.1 Project Team	2
Section 3.2 Roles of Project Team Members	2
Section 3.3 Joint Coordinating Committee	2
IV. Undertakings of the Counterpart	3
Section 4.1 Grant of Privileges, Exemptions, Benefits to JICA, the members of JICA missions and the JICA experts	3
Section 4.2 Provision of Conveniences for the members of JICA missions and the JICA experts	3
Section 4.3 Provision of Services, Facilities and Local-Cost Bearing for the Technical Cooperation	3
V. Reporting	4
Section 5.1 Reporting for Technical Cooperation Project	4
Section 5.2 Reporting for Technical Cooperation for Development Planning	4
VI. Monitoring and Evaluation	4
Section 6.1 Regular Monitoring and Evaluation for Technical Cooperation Project	4
Section 6.2 Ex-post Evaluations	4
VII. Ownership of Equipment, Machinery, and Materials	5
Section 7.1 Equipment, Machinery, and Materials provided by JICA	5
Section 7.2 Equipment, Machinery, and Materials owned by JICA	5
VIII. Construction of Pilot Facility	5
Section 8.1 Ownership of Pilot Facility	5
Section 8.2 Safety Management of Construction	5
IX. Public Relations	5
Section 9.1 Promotion of Public Support	5
X. Environmental and Social Considerations	6
Section 10.1 Policy	6
XI. Miscellaneous	6
Section 11.1 Misconduct	6
Section 11.2 Mutual Consultation	6

7)

AG

Basic Principles for Technical Cooperation

I. Introduction

Section 1.1 Introduction

The purpose of the Basic Principles for Technical Cooperation (hereinafter referred to as "the BP") is to set forth the basic principles generally applicable to Technical Cooperation Project and Technical Cooperation for Development Planning implemented jointly by the Japan International Cooperation Agency and the implementing agency of the recipient country (hereinafter referred to as "Technical Cooperation"), which consists of the record of discussions (hereinafter referred to as "the R/D") agreed upon between the Japan International Cooperation Agency (hereinafter referred to as "JICA") and the implementing agency of the recipient country (hereinafter referred to as "the Counterpart").

Section 1.2 Inconsistency with the R/D

If any contents of the BP is inconsistent with any contents of the R/D, such contents of the R/D will prevail.

II. Definition of Technical Cooperation

Section 2.1 Technical Cooperation

Technical Cooperation supports human resource development, research and development, technology dissemination and the development of institutional frameworks essential for the development of economies and societies in the recipient country.

Section 2.2 Technical Cooperation Project

Technical Cooperation Project refers to a systematic and comprehensive project implementation to attain certain outcomes within certain time period, in which input includes, but not limited to, the dispatch of members of JICA missions and/or JICA experts, acceptance of training participants, and/or provision of equipment from JICA.

Section 2.3 Technical Cooperation for Development Planning

In Technical Cooperation for Development Planning, JICA conducts necessary studies to support the recipient country to formulate policies and master plans, by dispatching members of JICA missions. Based on the results of this cooperation, the recipient country is expected to formulate plans for sector/regional development or rehabilitation/reconstruction by utilizing the results, to implement plans by raising funds from international organizations and others, and/or to carry out the recommended organizational/institutional reforms and other proposed activities.

III. Implementation Structure

Section 3.1 Project Team

Project team will work together for implementing Technical Cooperation. Its members include, but not limited to, Project Director, Project Manager, personnel from the Counterpart, members of JICA missions, JICA experts, and/or other members to be determined by both parties (hereinafter referred to as "the Project Team"). Details are described in the R/D.

Section 3.2 Roles of Project Team Members

General roles of members of the Project Team are as follows. Roles for other members will be determined by both parties for specific Technical Cooperation.

(1) Project Director

The project director, appointed from the Counterpart, will be responsible for the overall implementation and coordination of Technical Cooperation.

(2) Project Manager

The project manager, appointed from the Counterpart, will manage Technical Cooperation on a regular basis, and be responsible for administrative and technical matters of Technical Cooperation.

(3) Members of JICA Missions

The members of JICA missions will conduct studies regarding Technical Cooperation in cooperation with the Counterpart.

(4) JICA Experts

The JICA experts will give necessary technical guidance, advice and recommendations to the Counterpart on any matters pertaining to the implementation of Technical Cooperation.

Section 3.3 Joint Coordinating Committee

Joint Coordinating Committee (hereinafter referred to as "JCC") will be established in order to manage Technical Cooperation, and its proposed members are listed in the R/D. JCC will be held at least once a year and whenever deems it necessary and plays vital roles for implementing Technical Cooperation as follows.

(1) JCC for Technical Cooperation Project

Main tasks are 1) to review the progress, 2) to revise the overall plan when necessary, 3) to approve an annual work plan, 4) to suggest modifications of the framework (including the Project Design Matrix (hereinafter referred to as "PDM") and the Plan of Operation (hereinafter referred to as "PO") for Technical Cooperation Project), 5) to conduct evaluation of Technical Cooperation Project, and 6) to exchange opinions on major issues that arise during the implementation of Technical Cooperation Project.

(2) JCC for Technical Cooperation for Development Planning

Main tasks are to discuss on the progress and major issues that arise during the implementation of Technical Cooperation for Development Planning.

IV. Undertakings of the Counterpart

Section 4.1 Grant of Privileges, Exemptions, Benefits to JICA, the members of JICA missions and the JICA experts

The Counterpart and the government of the recipient country will take necessary measures to grant JICA, the members of JICA missions and the JICA experts privileges, exemptions and benefits in accordance with international agreements concluded between the government of Japan and the government of the recipient country.

Section 4.2 Provision of Conveniences for the members of JICA missions and the JICA experts

The Counterpart and the government of the recipient country will take necessary measures to provide conveniences listed hereto at its own expense;

- (1) Information as well as support in acquiring suitable furnished accommodation for the JICA experts and their families;
- (2) Information as well as support in obtaining medical service for the members of JICA missions, the JICA experts and their families; and
- (3) Credentials or identification cards as necessary to the members of JICA missions and the JICA experts.

Section 4.3 Provision of Services, Facilities and Local-Cost Bearing for the Technical Cooperation

The Counterpart and the government of the recipient country will take necessary measures to provide services, facilities and local-cost bearing listed hereto at its own expense;

- (1) Services of the Counterpart's personnel;
- (2) Suitable office space for the Project Team with necessary equipment;
- (3) Running expenses necessary for the implementation of Technical Cooperation;
- (4) Expenses necessary for transportation within the recipient country of the equipment provided by JICA for Technical Cooperation Project as well as for the installation, operation and maintenance thereof;
- (5) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials necessary for the implementation of Technical Cooperation other than those prepared and provided by JICA;
- (6) Travel allowances for the Project Team for official travel within the recipient country; and
- (7) Available data (including maps and photographs) and information

related to Technical Cooperation.

V. Reporting

Section 5.1 Reporting for Technical Cooperation Project

The Project Team will prepare the Project Completion Report three (3) months before the completion of Technical Cooperation Project.

Section 5.2 Reporting for Technical Cooperation for Development Planning

The Project Team will prepare and submit the following reports to the Counterpart. Details, such as the language of the reports, will be determined based on mutual consultation.

- (1) Inception Report at the commencement of the work period in the recipient country
- (2) Interim Report at the middle of the work period in the recipient country
- (3) Draft Final Report at the end of the work period in the recipient country
- (4) Final Report within one (1) month after the receipt of the comments on the Draft Final Report

VI. Monitoring and Evaluation

Section 6.1 Regular Monitoring and Evaluation for Technical Cooperation Project

The Project Team will jointly and regularly monitor the progress of Technical Cooperation Project through the monitoring sheets based on PDM and PO every six (6) months, while JCC will conduct overall evaluations of Technical Cooperation Project.

Section 6.2 Ex-post Evaluations

JICA will conduct the following ex-post evaluations and surveys to verify sustainability and impact of Technical Cooperation and draw lessons. The Counterpart will make best efforts to provide necessary support for them.

- (1) Ex-post evaluation three (3) years after the completion of Technical Cooperation, in principle
- (2) Follow-up surveys, as necessary

VII. Ownership of Equipment, Machinery, and Materials

Section 7.1 Equipment, Machinery, and Materials provided by JICA

The equipment, machinery and materials provided by JICA will become the property of the Counterpart or competent authorities of the recipient country upon being delivered to the Counterpart or the authorities.

Section 7.2 Equipment, Machinery, and Materials owned by JICA

The equipment, machinery and materials prepared by JICA for the performance of duties of the members of JICA missions and the JICA experts will remain the property of JICA unless a separate arrangement is agreed between JICA and the Counterpart or competent authorities of the recipient country.

VIII. Construction of Pilot Facility

Section 8.1 Ownership of Pilot Facility

When a pilot facility is constructed in Technical Cooperation, based on a separate arrangement to be agreed between the relevant parties, JICA will provide necessary services for constructing the pilot facility for Technical Cooperation throughout the implementation period. Upon the completion of the construction, the pilot facility will become a property of the Counterpart or competent authorities of the recipient country. The Counterpart or the authorities will ensure proper and effective operation and maintenance of the pilot facility.

Section 8.2 Safety Management of Construction

JICA and the Counterpart will assure safety management of the construction in accordance with 'the Guidance for the Management of Safety for Construction Works in Japanese ODA Projects'.

IX. Public Relations

Section 9.1 Promotion of Public Support

For the purpose of promoting support for Technical Cooperation, JICA and the Counterpart will take appropriate measures to make Technical Cooperation widely known to the people of Japan and the recipient country.

X. Environmental and Social Considerations

Section 10.1 Policy

JICA and the Counterpart abide by 'JICA Guidelines for Environmental and Social Considerations' in order to ensure that appropriate considerations will be made for the environmental and social impacts of Technical Cooperation. The version of 'JICA Guidelines for Environmental and Social Considerations' to be applied shall be designated in the R/D.

XI. Miscellaneous

Section 11.1 Misconduct

All related personnel and organizations will keep the highest ethics and prevent any corrupt or fraudulent practices in the implementation of Technical Cooperation.

If JICA or the Counterpart receives information related to suspected corrupt or fraudulent practices in the implementation of Technical Cooperation, JICA and the Counterpart will cooperate to take appropriate measures against such practices and provide the other party with such information as the other party may reasonably request, including information related to any concerned personnel of the contractor, consultant, government and/or public organizations.

JICA and the Counterpart will not, unfairly or unfavorably treat the person and/or organization which provided the information related to suspected corrupt or fraudulent practices in the implementation of Technical Cooperation.

Section 11.2 Mutual Consultation

JICA and the Counterpart will consult each other whenever any issues arise in the course of implementation of Technical Cooperation.

29

A.S