

**Minutes of Discussion for the Consultative Committee Meeting
Japanese Grant Aid for the Economic and Social Development Programme
to the Government of Georgia FY2020**

The Government of Japan has extended Grant Aid for the Economic and Social Development Programme to the Government of Georgia in accordance with the Exchange of Notes and the Agreed Minutes on Procedural Details signed on 22 July 2020.

The Consultative Committee Meeting is held online between the signatories, the Government of Japan and the Government of Georgia, attended by Crown Agents Japan Limited (CA) in their capacity as advisor to the committee. The Consultative Committee hereby confirm that the attachments hereto (4 pages) are a true and accurate record of the agreed actions and related issues necessary for the opportune implementation of the programme and in witness thereof they attach their signatures hereto.

These Consultative Committee Meeting Minutes shall be held in confidence and any changes or modification to them will be carried out in writing and shall require the agreement of all the signatories.

9 October 2020

Mr Giorgi Tsotskolauri
Deputy Minister
Ministry of Internally Displaced Persons from
the Occupied Territories, Labour, Health and
Social Affairs of Georgia
The Government of **Georgia**

Mr Masataka Obata
Counsellor
Embassy of Japan in **Georgia**

Ms Ritsuko Yonemichi
Senior Director
SCS Division, Operations Department
Crown Agents Japan Limited

1. Programme outline**Grant Value :** JPY300,000,000**Exchange of Notes (E/N) :** 22 July 2020**Banking Arrangement:** 24 August 2020

(funds transferred to the Recipient Account on 30 September 2020)

Agent Agreement (AA) :10 September 2020**2. Grant Allocation**

End-User	Amount
Goods and Services	JPY 282,000,000
Agent Fee (1-5 items 6%)*	JPY 18,000,000
Total	JPY 300,000,000

*Crown Agents Fee; as per Appendix B of the Agent Agreement.

3. Consignee and End-user:

Consignee: Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia

End-user: Ministry of LELP Emergency Situations Coordination and Urgent Assistance Center

4. Items requested

Item	Quantity	Referential model	Referential unit price (JPY)	Referential Extended price (JPY)
Defibrillator	110	TEC-5621	2,300,000	253,000,000
Electrocardiograph	155	FX-8400	520,000	80,600,000
Freight, insurance, other service cost and supplier's margin				40,032,000
				373,632,000

Total value based on the referential price exceeds the budget and quantities may need to be adjusted based on the result of bid.

5. Eligibility of the participants in the Quotation Process

Contracts for purchase of products and/or services shall be placed with Japanese firms and the currency of Contract shall be Japanese Yen. The criteria of the participation are as follows:

- Japanese nationals (Japanese physical persons or juridical persons controlled by Japanese physical persons)
- Bidders must have over 5 years of business experiences and more than 5 track records of delivering medical equipment on an ODA or commercial basis.

- Bidders' current account balance shall not be deficit for 3 consecutive years and bidders shall not be insolvent.
- Bidders shall not be under the measures of the Government of Japan and the Japan International Cooperation Agency.

6. Procurement process

(1) Request for Quotation (RFQ)

- The General Procurement Notice (GPN) was posted in the Japan Times and on CA website where Japanese firms will register to participate in the RFQ.
- CA shall issue Request for Quotation (RFQ) only to the registered Japanese firms.
- The eligible source country shall be not limited as per the E/N. However, in order to shorten the quotation process, reference models shall be mentioned in the RFQ. In order to ensure the quality of the Goods, other criteria such as approval under Pharmaceutical and Medical Device Act of Japan.

(2) Evaluation

- CA will evaluate offers technically and financially to establish the most advantageous offer. The Delivery period and completion period for services shall have the first priority in the evaluation. However, the offered price and budget are also considered.

(3) Approval of Certificate of Eligible Procurement (CEP) and Proforma Invoice (PI) and Contract Award

- CA will send a document called Certificate of Eligible Procurement (CEP) and Proforma Invoice (PI) to the Recipient Government to explain the evaluation result and to recommend the winning firm.
- Recipient Government needs to sign the PI which enables CA to award a contract to the winning firm. After the receipt of the signed PI, CA will award a contract to the winning firm.

(4) Ordering

- Once the Contract is placed, Crown Agents will send a copy of the Contract to the End-User for their records
- Estimated Time of Arrival (ETA) will be provided to the End-User once shipping details become clear.
- Shipping documents will be sent directly to the Consignee and the End-User by the Contractor.

(5) Responsibility of the Recipient Government

- **Import Duty and Customs Duties Exemption:** Pursuant to the E/N and Agreed Minutes on Procedural Details (A/M) the Recipient Government/End-User will be responsible for arranging tax exemption. Any demurrage caused by the delay of the Recipient Government/End-User's responsibility such as tax exemption shall be covered by the Recipient Government.
- **Medical devices registration** – Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia advised that according to the national legislation, registration of medical devices is not required.

(6) Delivery and Associated Services

- The delivery term will be Incoterms CIP named-destination (End-User's premise) additionally including off-loading and customs clearance. The Contractor shall be responsible for arrangement and cost for transportation until final delivery point, off-loading, insurance, pre-shipment inspection, customs clearance.
- Under the ICP incoterms, the risk and title of the goods is to pass to the Consignee at the point the goods were loaded onto the first principal means of transport.
- Associated services such as maintenance and/or operational training requested by the End-User, as included in the Contract shall be provided by the local agent of the Contractor.
- Delivery site is Training Center of the LELP Emergency Situations Coordination and Urgent Assistance Center. Address: D. Agmashenebeli Alley, 12 Km.

(7) Keeping the Recipient Government/End-User updated

Throughout the procurement work, CA will keep the Recipient Government/End-User updated on the progress and submit reports regularly.

(8) Hand-over ceremony (To be discussed between two governments)

A hand-over ceremony may be arranged by the Recipient Government/End-User and the Embassy of Japan.

7. Expected procurement schedule As attached

Tentative Procurement Schedule Georgia 2020

As of 9 October 2020

No.	Subject	Year	2020												2021											
		Month	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12					
1	Exchange of Notes (E/N)	22 July 2020		◆																						
2	Agent Agreement (AA)	10 September 2020				◆																				
3	Banking Arrangement (with MUFG)	14 August 2020			◆																					
4	AA approval & funds transfer	1 month																								
5	Committee meeting	9 October 2020					◆																			
6	Preparation of procurement plan, specifications & approval	2 months																								
7	Distribution of Request for Quotation(RFQ)*	30days																								
8	Bid opening																									
9	Bid evaluation	2 weeks																								
10	CEP/Pro-forma Invoice approval	2 weeks																								
11	Contract	January 2021																								
12	Manufacturing	1 months*																								
		6 months																								
13	Shipping / customs clearance / tax exemption / delivery	2 months																								
14	Hand-over ceremony	April/September 2021																								

* If there are any goods in stock and will be able to be shipped within one month