

Japan doles out 900m USD in ODA

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VNBusinessNews.com - Japan has committed to providing up to 83.2 billion JPY (roughly 900 million USD) in ODA for Viet Nam to implement four projects to further improve transport infrastructure and the environment.

The notes pertaining to the loan were signed by Japanese Ambassador to Vietnam Matsuo Sakaba and Minister of Planning and Investment Vo Hong Phuc in Hanoi on March 31.

The same day, agreements on the four projects were signed by JICA President Sadako Ogata and Vietnamese Vice Minister of Finance Do Hoang Anh in Tokyo.

At a press briefing in Hanoi, the Japan International Cooperation Agency (JICA) said this is the first ODA Japan has granted to Vietnam since it declared the resumption of development loans in late February.

The new loan covers the construction of Hanoi's first urban railway, improvements to environmental and anti-flood measures in Hanoi and Hai Phong, and the upgrading of the local transportation infrastructure to support economic development in rural areas and narrow the gap between the rich and poor.

Around 14.7 billion JPY will be reserved for the construction of the first urban rail line in the capital city (known as line 2), which will be 11.54 km in length. The line is expected to ease traffic congestion and improve air quality in the capital city.

The largest proportion of the loan amounting to 29.3 billion JPY, will be used for the second phase of a project to improve and clean up river basins in the city, and toward doubling the capacity of the Yen So pumping station to prevent flooding and improve the environment in the capital.

The Hai Phong City Environmental Improvement Project, second phase, will receive 21.3 billion JPY from the loan. It will look to further restructure the city's drainage and solid waste collection systems, as well as its treatment capacity.

The remaining 17.9 billion JPY will go to the transportation sector to implement the second phase of a project to improve the national road network, including repairing and replacing bridges in rural areas to accelerate local economic development.

JICA Country Representative Tsuno Motonori said he expects the new loan will play a significant role in supporting Viet Nam in addressing problems with its urban environments and transportation systems, further narrow the socio-economic gap, and generate jobs in all target localities. (VNA)

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