

Outline of Japan's ODA to Pakistan

Ministry of Foreign Affairs
of Japan
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1. Summary

Japan started ODA to Pakistan in 1954 by providing technical training in line with Colombo Plan, and the first Japanese ODA loan was extended in 1961. After Pakistan's nuclear test in 1998, Japan took economic measures, suspending new Japanese ODA loans and grant aid. The economic measures were discontinued in October 2001. Japan extended two new Japanese ODA loans to Pakistan in August 2005, which were the first case after the discontinuance of the economic measure. (Pop.:162.39millions, GNI/capita:\$870, Economic Growth Rate:6.4%)

2. Goal and significance of Japan's ODA

To contribute to consolidating peace and stability not only in the region but also across Asia by assisting steady development of Pakistan, which is in the process towards moderate and modern Islam and playing a crucial role as a front-line state in "fight against terrorism".

3. Focus Areas

Three priority goals of Japan's Country Assistance Program for Pakistan formulated in February 2005;

- (i) ensuring human security and human development (mainly in the area of education and health),
- (ii) development of a sound market economy (agricultural sector, diversification of industries, economic infrastructure),
- (iii) achievement of balanced regional socio-economic development (enhance economy in Karachi, development of Peshawar economic area, etc.).

4. Japanese ODA Loan

Japan has supported development of infrastructure in Pakistan through Japanese ODA loans in such areas as transport and energy. Among them, the "Indus Highway Projects" is especially a symbol of friendship between the two countries. After the earthquake in 2005, Japan provided the Emergency Earthquake loan amounting to 11.2 billion yen. Recently, in May 2008, four new Japanese ODA loans amounting to about 47.9 billion yen were extended. As a result, the accumulated total amount of Japanese ODA loans to Pakistan since 1961 adds up to about 928.0 billion yen.



(Kohat tunnel,
Northern part of the Indus Highway)

"Indus Highway Projects"

Japan extended Japanese ODA loans totaling 67.0 billion yen to the "Indus Highway Projects" for the construction of the 92% of the total length of the highway (945km out of total 1,024km) which will connect northern and southern parts of the country.

"Kohat Tunnel Projects"

Japan also extended Japanese ODA loans totaling 12.6 billion yen for constructing the 1.9km long Kohat tunnel (the total length of 30km, including access roads), a part of the Indus Highway, purposing to alleviate traffic congestion in the steep Kohat pass.

Japanese ODA Loan Projects in 2008 (Total amount: about 47.9 billion yen)

Punjab Transmission Lines and Grids Stations Project (Phase-1)

(about 11.9 billion yen)

In order to secure a reliable supply of electric power to Punjab Province, this project will install the transmission line and 2 transformer substations.

Punjab Irrigation System Improvement Project

(about 11.4 billion yen)

In order to increase the agricultural productivity in the rural areas of Punjab Province, this project will improve the irrigation system as well as installing and developing the farmers' associations.

Rural Roads Construction Project (Phase-2) (Sindh)

(about 9.1 billion yen)

In order to secure better access to the urban areas from the rural areas in Sindh province, this project will pave and widen the dirt roads in the rural areas.

East - West Road Improvement Project (N70) (Phase-1)

(about 15.5 billion yen)

In order to improve transportation capacity, this project will widen and improve the mountainous section of the National route 70 (N70), which is the important transnational road that connects Balochistan and Punjab. STEP is applied.

5. Grant Aid

Since its beginning in 1970, the accumulated total amount of grant aid to Pakistan adds up to 218.4 billion yen.

Projects in FY 2008 (Total: 6.089 billion yen)

(1) “Emergency Grant Aid for the Flood-affected Population and Internally Displaced People” (about 460 million yen):

This project provides tent shelters, blankets, plastic sheets and other daily commodities for the flood-affected population and internally displaced people in FATA through UNHCR.

(2) “The Project for the Eradication of Poliomyelitis” (422 million yen):

This project provides the oral polio vaccine to be used mainly in FATA, NWFP, and Balochistan through UNICEF, as a part of the Polio Eradication Initiative in Pakistan.

(3) In addition, Non-Project Grant Aid as provided for FATA, Grant Assistance for Grass-roots Human Security Projects.

6. Technical Cooperation

In FY 2008, Japan provided 1.179 billion yen for technical cooperation to Pakistan including development study. The cumulative amount of Japan’s technical cooperation is 40.187 billion yen up to the end of FY 2008. By the end of FY 2008, 4,877 trainees have been received by Japan, and 1,128 experts had been sent to Pakistan.

Agreement on Technical Cooperation between Japan and Pakistan

In April 2005, the Governments of Japan and Pakistan signed the Agreement on Technical Cooperation with the aim to promote smooth implementation of the bilateral technical cooperation.

Projects in FY 2008

(1) “The Project on the Promotion of Social Participation of Persons with Disabilities (Mar 2009 - Mar 2011)” which aims to promote for social participation of persons with disabilities in Abbotabad District.

(2) “The Project for Development of Center of Excellence for Technical Education (Dec 2008 – Dec 2013)” which aims to improve capacity for providing technical education in Government College based on industrial needs.

(3) “Custom Modernization Support Project (Mar 2009 - Mar 2011)” which aims to improve custom service by introducing modern audit system.

Japan’s ODA to Pakistan

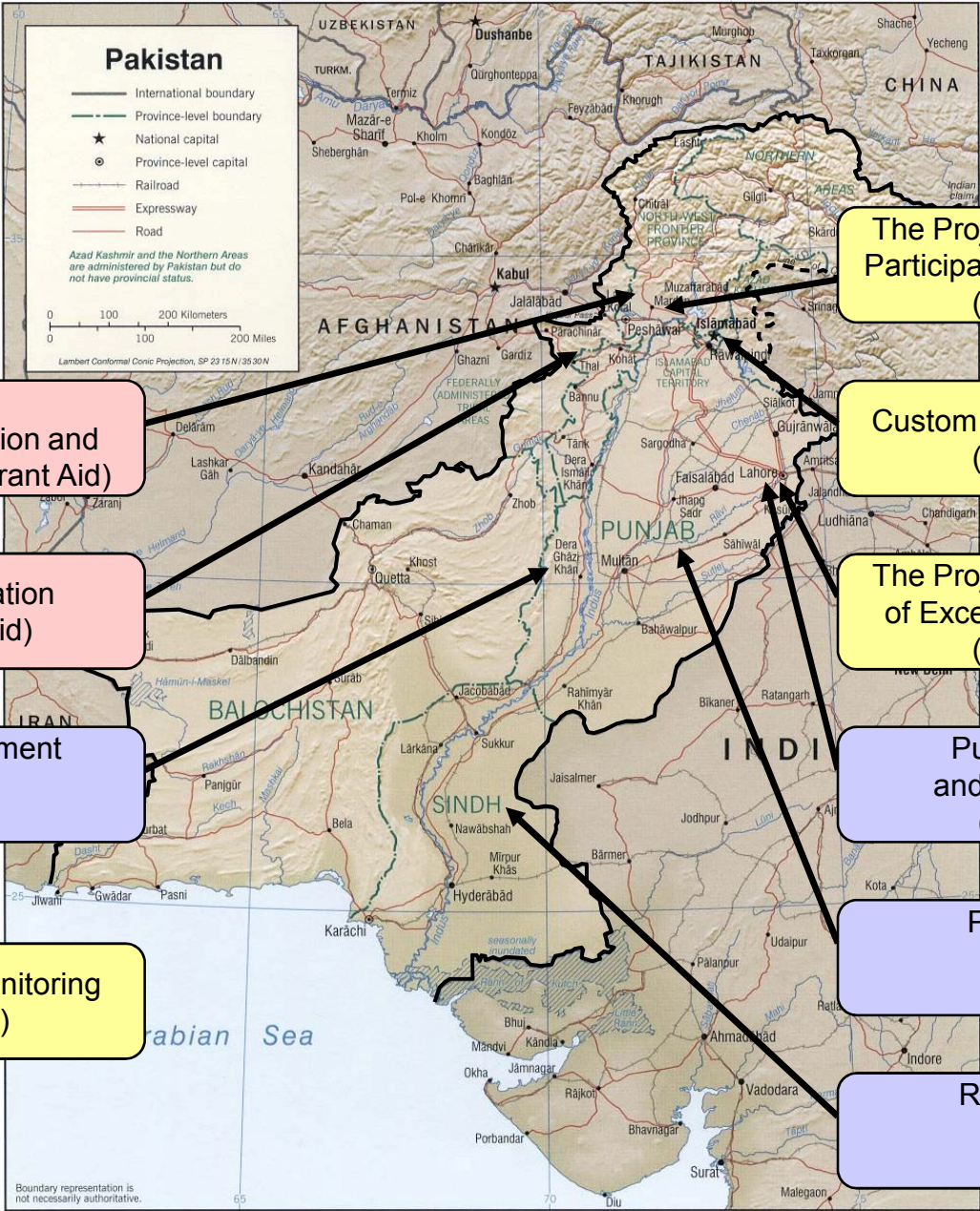
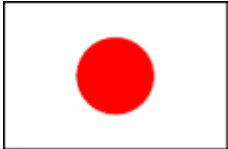
(million yen)

Fiscal Year	Japanese ODA Loan	Grant Aid	Technical Cooperation
1999	0	856	1,099
2000	0	2,042	865
2001	4,032	10,783	875
2002	3,149	7,590	1,418
2003	0	6,313	1,799
2004	0	4,863	1,732
2005	27,582	10,013	2,140
2006	23,157	5,196	2,530
2007	0	4,763	1,393
2008	47,943	6,089	1,179
Cumulative Amount	928,000	218,355	40,187

(Ref.) Japanese ODA Loan and Grant Aid are E/N based.
Technical cooperation is JICA-disbursement based.

Japan's ODA Project

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The Project on the Promotion of Social Participation of Persons with Disabilities (Technical Cooperation)

Custom Modernization Support Project (Technical Cooperation)

The Project for Development of Center of Excellence for Technical Education (Technical Cooperation)

Punjab Transmission Lines and Grids Stations Project (1) (Japanese ODA Loan)

Punjab Irrigation System Improvement Project (Japanese ODA Loan)

Rural Roads Construction Project (2) (Sindh) (Japanese ODA Loan)

Emergency Grant Aid for the Flood-affected Population and Internally Displaced People (Grant Aid)

The Project for the Eradication of Poliomyelitis (Grant Aid)

East - West Road Improvement Project (N70) (1) (Japanese ODA Loan)

< Project for all over the country >
Support for Environmental Monitoring (Technical Cooperation)

Boundary representation is not necessarily authoritative.