

Japan Provides JPY 500 mln as Grant Aid to Laos



An agreement on the Japanese grant aid was signed by Deputy Minister Khamphao Ernthavanh, right, and Japanese Ambassador Takeshi Hikihara (Vientiane, Oct 4, 2016)

(KPL) The government of Japan has decided to provide grant aid amounting to JPY 500 million (almost US\$4.9 million) to support socio-economic development in the Lao PDR.

An agreement on the provision of the Japanese government's grant aid for the Socio-Economic Development Programme was signed in Vientiane on Oct 4 by Deputy Minister of Foreign Affairs Khamphao Ernthavanh and Ambassador of Japan to Laos Takeshi Hikihara.

This grant aid aims to promote the socio-economic development efforts of the Lao government and the grant will be used to purchase necessary commodities in the Lao territories.

Through the aid, it is anticipated that the assistance from the Japanese government will support Laos in achieving its goals.

The Lao PDR has drawn up the new Five-Year National Socio-Economic Development Plan 2016-2020 (5th NSEDP) to implement the national strategy on socio-economic development. It aims to facilitate its eligibility for graduation from Least Developed Country status by 2020 through a variety

of measures including consolidating regional and international integration through the launching of the ASEAN Economic Community and taking further steps towards industrialization and modernization to enhance people's living standards.

The measures also include increasing national prosperity in order to achieve an upper-middle-income-country ranking by 2030.

Japan has been engaged

with the economic and social development of the Lao PDR for many years.

This year will be a historic year for Japan's ODA to Laos as the Prime Ministers of the two countries have agreed to plot out a joint cooperative development plan.

The decision regarding the provision of this grant aid was communicated by Prime Minister of Japan Shinzo Abe to his Lao counterpart Thongloun Sisoulith at the Bilateral Summit meeting held in September on the occasion of the official visit to Laos by Mr Abe, responding quickly to a request from his Lao counterpart that was made in May 2016 on the occasion of his working visit to Japan.

Mrs Khamphao Ernthavanh expressed thanks to the Japanese government upon its provision of further support for the Lao PDR. Last year, the Japanese government provided JPY 500 million (over 40 billion kip) to Laos to ensure its budgetary balancing efforts in 2016.

"This grant aid constitutes a contribution to the socio-economic development of the Lao PDR, especially the eradication of poverty thus ensuring Laos' graduation from Least Developed Country status by 2020," said Mrs Khamphao.

He also assured the donor government that the grant aid would be used for the intention and goal of the Japanese government thus bringing optimal benefits for the Lao people.