

Outline of Japan's ODA to Sri Lanka

Ministry of Foreign Affairs of Japan

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1. Introduction

Sri Lanka has maintained its political system as a democratic country since its independence in 1948. Sri Lanka has also strived for the promotion of economic liberalization and structural reform at an earliest stage among South Asia countries. Japan established the diplomatic relations with Sri Lanka in 1952, and maintains the cooperative relationship with Sri Lanka.

Japan has been assisting the country's efforts for a political solution regarding the ethnic problem in Sri Lanka. Japan has extended ODA for facilitating the consolidation of peace and assisting socio-economic development, considering area / ethnic balance. After the end of conflict between the Government and LTTE, Japan continues to provide assistances including rehabilitation and reconstruction.

(Note: Main Economic Data (2007), Source: World Bank WDI)

Population: 20.0 Million, GNI/Capita: US\$1,540, Economic Growth Rate: 6.8%
National Budget (revenue) 476.82 billion Sri Lanka Rupee
(405.3 billion Yen)(2006)
1 Sri Lanka Rupee = 0.85Yen (June 2009)

2. Japan's ODA Policy to Sri Lanka

Japan's assistance for socio-economic development of Sri Lanka, which is striving for the economic liberalization, aims to contribute to the consolidation of democracy and political stability in the whole South Asia region as well as securing safe sea lanes for the Japan's oil imports from Middle East. Japan also aims to utilize the assistance to accelerate the peace process.

3. Priority Areas

Priority areas under Country Assistance Program (April 2004)

1. Consolidation of peace and reconstruction
Humanitarian and rehabilitation assistance, and nation building
2. Mid-long term vision for development
 - 1) Institutional reforms and economic infrastructure
 - 2) Foreign-currency acquisition capabilities
 - 3) Poverty alleviation

4. ODA Loan

Main focus of Japanese ODA Loan is on physical infrastructure e.g. transport, power, irrigation etc. Projects in recent years are explained below;

(Note) Cumulative Loan: 756.251 billion yen (FY 1958~, E/N basis)

1. Greater Colombo Urban Transport Development Project: phase 2(I) (5.718 billion yen)

Construction of an expressway linking the main national roads in the surrounds of Colombo and the Southern Highway (STEP application project)

2. Southern Highway Construction Project (II)(17.499 billion yen)

Construction of an expressway over the area between the surrounds of Colombo and the southern part of Sri Lanka

3. Water Sector Development Project (II)(8.388 billion yen)

Improvement and expansion of water supply system in the Greater Colombo areas, and reduction of non revenue water in the city of Colombo

4. Poverty Alleviation Micro Finance Project (II) (2.575 billion yen)

Providing credit to people living in poverty in the North-East and surrounding regions where the poverty rate is high, and carrying out training for participating financial organizations, micro finance assistance organizations and beneficiaries

5. Energy Diversification Enhancement Project (Engineering Services) (0.82 billion yen)

Basic design support of the project for the construction of a gas pipeline to send gas to the liquefied natural gas (LNG)-receiving terminal and thermal power plant in the northern part of Colombo

5. Grant Aid

Japan's Grant Aid covers broad areas, e.g. physical infrastructure, water supply, sanitation, health, tsunami related supports etc. Total Amount in FY 2008 is 4.429 billion yen (E/N basis). The cumulative amount of grant aid up to FY2008 is 187.558 billion yen (E/N basis).

Main projects in recent years

1. Improvement of Anuradhapura Teaching Hospital (1.803 billion yen)(FY2008)

Constructing the Outdoor Patients Building (Obstetric Gynecology Operation Theatre, Pediatric Unit (Intensive Care Unit) and Outdoor Patients Department (OPD)) and providing the concerned medical facilities

2. Non-project Grant Aid (1.3 billion yen)(FY2008)

3. Grant Assistance for Underprivileged Farmers (0.52 billion yen)(FY2008)

4. Food Aid (through WFP)(0.82 billion yen)(FY2008)

5. Grassroots Human Security Grant Aid (13 projects, totaling 0.358 billion yen) (FY2008)

6. Emergency Grant Aid for IDP's (0.41 billion yen)(FY2009)

Responding to the request of the government of Sri Lanka and International organizations for urgent humanitarian assistance, to provide the grant for tents, non-food material and water supply facilities for meeting immediate needs of the Internally Displaced Persons (IDP) in the Northern province in the country.

6. Technical Cooperation

JICA disbursement for technical cooperation in 2008 is 1.845 billion yen. Cumulative JICA disbursement up to 2008 is 62.833 billion yen.

Up to 2008, total number of counterparts trained in Japan: 10,793, experts dispatched: 1,547, JOCVs : 753

7. Cooperation with NGO

Japan has implemented humanitarian aid for IDPs, assistance of the improvement of communities' livelihood and the activities for the demining through Grant Aid for Japanese NGO's Projects and Grassroots Human Security Grant Aid.

Japan's ODA to Sri Lanka (past 5 years)

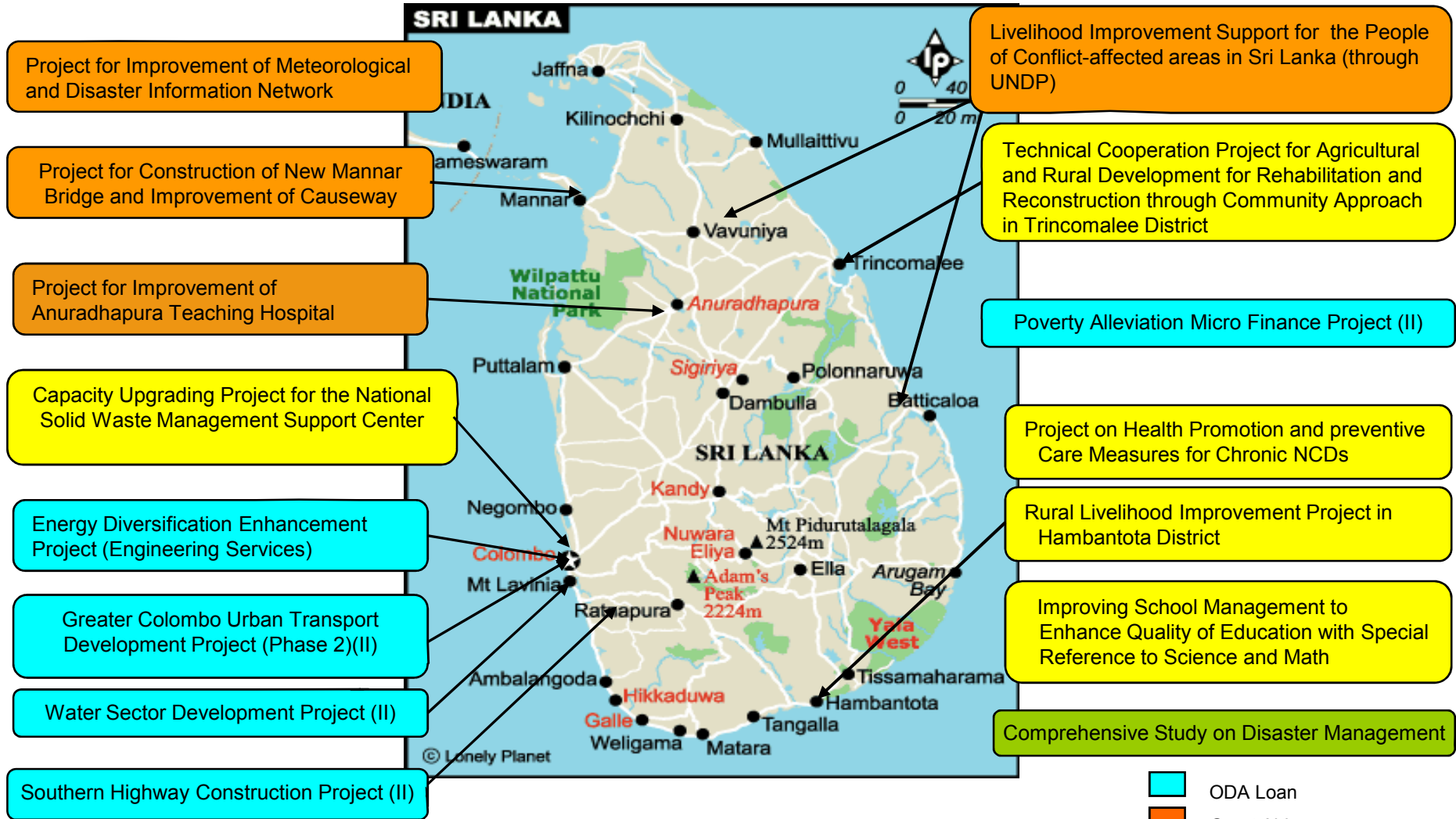
(100 million yen)

FY	ODA Loan	Grant Aid	Technical Cooperation
2004	279.09	114.69	22.54
2005	315.65	6.36	29.75
2006	392.33	25.43	25.94
2007	0	31.22	21.76
2008	350.00	44.29	18.45
Cumulated Total	7,212.51	1,875.58	628.33

(Note) Amount: ODA Loan and Grant Aid is on E/N basis, Technical Cooperation is JICA's disbursement

Japan's main ODA projects

including projects continued from previous year



- ODA Loan
- Grant Aid
- Technical Cooperation
- Development Study