

JBIC Provides Emergency ODA Loan to Pakistan: Supporting Earthquake Recovery in the Affected Regions

1. Japan Bank for International Cooperation (JBIC; Governor: Kyosuke Shinozawa) will sign an Emergency Earthquake Recovery Loan today, totaling up to 11.22 billion yen with the President of the Islamic Republic of Pakistan.
2. Seeking recovery from the devastation that the 7.6-magnitude earthquake inflicted on the northeastern part of Pakistan on October 8, 2005, the Pakistani government is currently implementing the rehabilitation and reconstruction program. It was prepared based on the findings of the "Pakistan 2005 Earthquake Early Recovery Framework" prepared by the UN and the "Preliminary Damage and Needs Assessment" carried out by the World Bank and the Asian Development Bank (ADB), with JBIC and other donors in consultation with the officials of the Government of Pakistan. Specific measures being planned under the program include humanitarian assistance (including the distribution of tents and blankets) and emergency rehabilitation (in such sectors as housing, the environment, transportation, education, health, water supply, and sanitation). The proceeds of this concessional ODA loan will be used for the implementation of the emergency rehabilitation plan.
3. The earthquake left 73,000 people dead and 70,000 injured, with 2.8 million displaced and 2.3 million without adequate food as of November 3, 2005. Since the earthquake devastated mostly the eastern part of the North West Frontier Province, Azad Jammu, and Kashmir, which are all relatively underdeveloped regions in Pakistan, there is an urgent need for rehabilitation in order to secure lifelines for the affected portion of the population. In particular, effective implementation of humanitarian assistance and preparatory work for reconstruction (such as cleaning up debris) during the winter will become a prerequisite for full-scale assistance for recovery in the affected regions beginning in the spring. In addition to humanitarian relief consideration, early recovery through rehabilitation assistance in the affected regions is indispensable for stabilizing the country's economy.
4. As emergency assistance, this loan was extended after a very short processing period lasting only about three months following the earthquake. Against this background was JBIC's participation, together with the Japan International Cooperation Agency (JICA), in the damage and needs assessment carried out under the leadership of World Bank, ADB, and UN agencies. This has enabled JBIC to identify assistance needs at a very early stage. It is also worth pointing out that the Pakistani government, the donor agencies, and the Japanese government have been in close contact with each other and have shared and exchanged relevant information. This loan, which will finance part of the rehabilitation and reconstruction program prepared by the Pakistani government, constitutes one component of Japan's continuous assistance efforts to help the affected regions, which includes the initial dispatch of Japan Disaster Relief (JDR) Teams by JICA and the emergency grant assistance provided by the Japanese government.

([Click here for details](#))

1. Loan Amount and Terms

Name	Amount (Mil. Yen)	Interest Rate (% per annum)	Repayment Period/ Grace Period(Years)	Procurement
Emergency Earthquake Recovery Loan	11,220	1.3	30/10	General Untied

2. Implementation Agency

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