

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5837

ANSWERED ON:03.05.2000

JAPANESE AID TO INDIA

GANGASANDRA SIDDAPPA BASAVARAJ;VILAS BABURAO MUTTEMWAR

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) whether Japan which was a leading aid donor to India had stopped bilateral assistance following nuclear tests;
- (b) if so, whether the Japanese have now decided to provide the same;
- (c) if so, the extent to which Japanese have resumed development aid to India;
- (d) whether the Japanese appraisal team from the Overseas Economic Cooperation Fund visited Delhi in January, 2000 for talks on the second phase of the Delhi metro rail project;
- (e) if so, the details thereof?
- (f) whether any agreements in this regard have been reached; and (g) if so, the details thereof?

Answer

THE MINISTER OF STATE FOR EXTERNAL AFFAIRS

(SHRI AJIT KUMAR PANJA)

(a) - (b) After the Pokharan tests, `economic measures` were announced by Japan against India in May 1998. It was decided by Government of Japan that while fresh Yen loan would be frozen, ongoing projects would not be affected. It was also stated that subsequent tranches of ongoing time-slice projects would be considered on a `case to case basis`. While the second tranche for Bakreshwar Thermal Power Project has been sanctioned at the last moment, decision on second/subsequent tranches of many other Japanese time-slice projects are due.

(c) Consequent upon the nuclear tests conducted by India in May 1998, Government of Japan imposed economic sanctions. After the economic sanctions, only one project, i.e., Bakreshwar Thermal Power Station Unit 3 Extension (II) of West Bengal Power Development Corporation Ltd. have been signed on 24.3.1999 for an amount of Yen 11,537 million (US \$ 107 million approx.).

(d), (e), (f) & (g) Yes, Sir. The Japanese appraisal mission visited India from Tokyo from 24th January - 11th February, 2000 and conducted site survey for the items to be covered in the second tranche loan for the Delhi MRTS project of DMRC. Minutes of discussions were signed between DMRC and Japan Bank of International Cooperation on 11th February 2000. However, no commitment/pledge has so far been made by the Japanese.