

**Speech by H.E. Mr. KAWAKAMI Fumihiro, Ambassador of Japan, at the Formalization of Japan's  
"COVID-19 Crisis Response Emergency Support Loan (Phase 2) to Fiji"**

Office of the Acting Prime Minister, 15:00 22<sup>nd</sup> February 2022

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The Honourable Aiyaz Sayed-Khaiyum, Acting Prime Minister and  
Acting Minister for Foreign Affairs, Attorney General, Minister for  
Economy, Civil Service, Communications, Housing and Community  
Development,

Distinguished Guests,

Ladies and Gentlemen

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Before I proceed further, I express my heartfelt sympathies to the  
people of Fiji affected by the COVID-19 pandemic, as well as recent  
natural disasters such as the serious flooding brought by heavy rains in  
the West and the tsunami and fallout generated by the Tongan volcanic  
eruption.

I also congratulate the Acting Prime Minister on the historic meeting with the US Secretary of State Mr. Antony Blinken. I extend my best wishes on the beginning of a more direct partnership between Fiji and the United States, (Japan's only ally) as both countries are close partners of Japan.

Today, the auspicious formalization of Japan's "COVID-19 Crisis Response Emergency Support Loan (Phase 2)" for Fiji marks another important milestone in Japan-Fiji relations as well as for enhancing Fiji's resilience against COVID-19.

I had the honour of formalizing the Phase 1 of this Emergency loan in February 2021 with the Honourable Prime Minister Bainimarama, and similarly today, I had the privilege of doing the same with the Honourable Acting Prime Minister and Minister for Economy, for Phase 2 of this Emergency loan.

I am very pleased to say that through this Emergency loan, Japan will provide a funding of approximately Two Hundred Million Fijian Dollars (FJ\$200M) , which is approximately equivalent to ten percent

(10%) of Fiji's total revenue of this fiscal year 2021-2022. This Emergency loan has exceptionally concessional terms such as interest rate of 0.01%, fifteen (15) year repayment period and four (4) year grace period.

I would like to highlight the harmonization of this loan with the 9<sup>th</sup> Pacific Island Leaders Meeting or in short, PALM9, held virtually last July. Despite the challenges of COVID-19 pandemic, Japan greatly appreciated the distinguished participation of the Honourable Prime Minister Bainimarama in the PALM 9. The then Japanese Prime Minister and the Honourable Prime Minister Bainimarama successfully held a bilateral meeting during PALM9 and we are pleased that both countries have greatly enhanced friendship through these high level engagements.

One of the key achievements of the PALM 9 is the "Joint Action Plan for Strengthening Pacific Bonds and for Mutual Prosperity" which is also known as the KIZUNA bond policy. This policy provides the framework for concrete actions and greater collaboration between the Pacific and Japan. I am very happy to see that today's signing is the

tangible and rapid materialization of our commitments. This Emergency loan is in line with one of the priority areas of the KIZUNA policy namely, “Strengthening the Foundation for Sustainable and Resilient Economic Development”.

I wish to take this opportunity to enlighten our continuing assistance extended to Fiji since the Phase 1 formalization of this Emergency loan to date. Japan has contributed as well as formally committed to contribute a collective sum of Five Hundred and Thirty One Million Fijian Dollars (FJ\$531M) to Fiji.

This funding includes the loan for Fiji airways through ADB worth about 50 million FJD, the support through international organizations such as UNICEF and UNDP for the response against COVID19, the provision of heavy machineries to the Ministry of fisheries, agriculture and waterways, the construction of the Tamavua-i-wai bridge worth about 60 million FJD, for which preparations are underway to formalize this funding soon with the Ministry of Infrastructure and over 10 projects

through our Grant Assistance for Grassroots Human Security Projects Programme, implemented amongst Fiji's diverse local communities.

In addition to Development Cooperation, the Japanese company Chugoku Electric Power Company and Japan Bank for International Cooperation acquired stakes in Fiji's EFL, with the vision to develop renewable energy systems in Fiji.

Since the beginning of 2020, the whole world has been tackling the COVID-19 pandemic. Fiji has become one of the most vaccinated societies in the world, and opened its borders on 1<sup>st</sup> December last year. Following this measure, on the 6th of this month, Fiji significantly eased the restrictions towards COVID-19. Although the threat of the virus has not faded away, it can be safely said that Fiji is at the forefront of controlling COVID-19 and close to setting itself free. I would like to pay tribute to the leadership of the Fiji government and the efforts of the people, for having made great achievements against the pandemic.

We understand that the impact of the pandemic on the economies of many countries, including Fiji, is long lasting and this is why Japan is supporting Fiji through this Emergency loan once again.

I conclude with confidence that this Emergency loan will help expedite Fiji's recovery and economic revitalization, as well as further strengthen friendship between the Governments and the peoples of Japan and Fiji.

Vinaka Vakalevu

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