



Press release

JICA Signs Japanese ODA Loan Agreements with Viet Nam for Climate-Resilient Small-Scale Infrastructure Development in Northern and Mountainous Regions

Hanoi, 1st May 2026, — The Japan International Cooperation Agency (JICA) signed Japanese Official Development Assistance (ODA) loan agreements with the Government of the Socialist Republic of Viet Nam to support climate-resilient small-scale infrastructure development in northern and mountainous regions of the country.

The loan agreements were signed today, between Mr. Tran Quoc Phuong, the Vice Minister of Finance of Viet Nam and Mr. Kobayashi Yosuke, Chief Representative of the JICA Viet Nam Office.

The projects are expected to contribute to poverty reduction, the narrowing of regional disparities, and the strengthening of resilience to climate change by improving access to markets and public services, enhancing agricultural productivity, and reducing damage caused by natural disasters in vulnerable rural areas.

The Project for Disaster Resilient Rural Development targets Lao Cai, Dien Bien, Tuyen Quang, Son La, and Lai Chau Provinces, where many residents are vulnerable to natural disasters, live in poverty, and lack access to markets and public services. The project aims to strengthen climate resilience and disaster adaptation, improve livelihoods and living conditions, and reduce regional disparities through the development and improvement of small-scale rural infrastructure.

The project comprises a total of 90 subprojects, which include the rehabilitation and construction of provincial and district roads, small-scale bridges, pavement improvements, drainage works, and the installation of safety facilities. It also covers the rehabilitation and construction of irrigation infrastructure such as intake facilities, canals, reservoirs, and related structures, as well as the rehabilitation and construction of riverbank protection facilities. In addition, consulting services will be provided through self-financing for detailed design, construction supervision, environmental monitoring, progress reporting, baseline data collection for project indicators, and the preparation of audit reports.

The maximum loan amount for the project is 21,590 million Japanese yen, with an annual interest rate of 2.25 percent. The repayment period is 30 years, including a grace period of 10 years, and procurement will be conducted on a general untied basis. The project will be implemented by the respective Provincial People's Committees and their designated ODA loan project management units, with planned completion in October 2030 upon the commencement of operation of all facilities.



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Project for Development of Climate Adaptive Infrastructure to Support Production for Ethnic Minority Communities in Northern Mountain and Midland Area

This project targets Tuyen Quang, Thai Nguyen, Lang Son, and Cao Bang Provinces, where poverty is widespread, particularly among ethnic minority communities. The project aims to contribute to the improvement of living conditions, the reduction of regional disparities, and the strengthening of resilience to climate change by developing climate-adaptive basic infrastructure, including roads, irrigation facilities, and water supply systems. Through these interventions, the project is expected to improve access to public services and markets, enhance agricultural productivity, and increase the provision of safe and hygienic water.

The project comprises a total of 28 subprojects, including the rehabilitation and construction of provincial and district roads and related facilities, the rehabilitation and construction of irrigation facilities and reservoirs, and the construction of water supply infrastructure such as intake facilities, reservoirs, pipelines, and water treatment facilities. Consulting services will include detailed design, construction supervision, environmental monitoring, progress reporting, baseline data collection, and the preparation of audit reports.

The maximum loan amount for this project is 17,666 million Japanese yen, with an annual interest rate of 2.30 percent. The repayment period is 30 years, including a grace period of 10 years, and procurement will be conducted on a general untied basis. The project will be implemented by the relevant Provincial People's Committees and designated ODA loan project management units, with planned completion in December 2030 upon the commencement of operation of all facilities.

The projects are expected to contribute to the achievement of the Sustainable Development Goals, particularly Goal 1 on No Poverty, Goal 2 on Zero Hunger, Goal 3 on Good Health and Well-Being, Goal 10 on Reduced Inequalities, and Goal 13 on Climate Action.

Further details are available at: [Signing of Japanese ODA Loan Agreement with Viet Nam: Contributing to reducing poverty and inequalities, while enhancing resilience to climate change through development of small-scale infrastructure in northern and mountainous regions | News & Publication - JICA](#)

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