

*Speech by Mr. K. M. Mahinda Siriwardana, Secretary to the Treasury and the Ministry of Finance, Planning and Economic Development, at the Press Conference on the “Signing of the Bilateral Amendment Agreement with JICA and the Exchange of Notes with the Embassy of Japan” held at the General Treasury on 07<sup>th</sup> March 2025*

His Excellency the Ambassador of Japan to Sri Lanka Mr. Akio ISOMATA, Mr. Tetsuya Yamada, Chief Representative of Japan International Cooperation Agency (JICA), other officials from Japanese Embassy and JICA, my fellow officials and members of the press.

It is with great appreciation that I stand before you today to mark this significant milestone; the signing of the Exchange of Notes with the Embassy of Japan, and the Amendment Agreement with JICA, which is the first Restructuring Agreement signed with a member country of the Official Creditor Committee (OCC).

This agreement is a testament to the enduring partnership between Sri Lanka and Japan, a relationship built on mutual trust, support, and shared development goals. I recall the exceptional leadership role played by the Government of Japan through spearheading Sri Lanka’s debt restructuring process by co-chairing the OCC, alongside France and India.

Their leadership, commitment, and constructive engagement have been instrumental in helping Sri Lanka navigate the challenges of economic recovery. It is this spirit of cooperation that has enabled us to make meaningful progress towards restoring debt sustainability of Sri Lanka.

At the same time, I need to acknowledge, with deep gratitude, the Government of Japan’s decision to resume the disbursements soon after the signing of the OCC Memorandum of Understanding on 26<sup>th</sup> June 2024. This timely decision reflects Japan’s confidence in Sri Lanka’s economic reform efforts and reinforces our ability to continue implementing essential development projects that benefit our people.

Japan has long been a steadfast development partner, one that has always stood by Sri Lanka in times of need. Through concessional loans, grants, and technical assistance, as well as through the infusion of advanced technology, Japan has contributed significantly to the socio economic development of our nation.

Today’s agreement is yet another example of that unwavering support. As we move forward, we reaffirm our commitment to prudent economic management and sustainable growth. We look forward to further strengthening this partnership with Japan, ensuring that our cooperation continues to yield long-term mutual benefits for both our countries.

In conclusion, I wish to indicate that, since mid-2021, Sri Lanka has come a long way by now, but the journey towards full economic recovery is far from over. We appreciate the strong support and cooperation extended by our partners like Japan, but there is no time to be complacent. The disciplined economic reforms introduced in the recent past should be continued, refraining from slipping back into past bad habits. More importantly, we can no longer afford to roll back much-needed and long-neglected reforms, and it is extremely important that we keep our own house in order, so that we as a country, could strongly come out from the difficult situation in a sustainable manner, with the support of the international community.

Thank you.