

Japan canceling \$3.58 billion in Myanmar debt

YANGON, Myanmar (AP) -- Japan says it is canceling 326.3 billion yen (\$3.58 billion) in debt owed by Myanmar to encourage reforms.

A Japanese Embassy statement Wednesday says the move is intended to help Myanmar's efforts in democratization, national reconciliation and economic and social reform.

Myanmar accumulated \$8.4 billion in foreign debt during the socialist regime of the late Gen. Ne Win from 1962 to 1988, and \$2.61 billion under the military junta that took over in 1988. An elected government took power in 2011.

The World Bank announced Sunday that the Japan Bank for International Cooperation, Japan's overseas development bank, will provide a bridge loan to Myanmar to cover outstanding debt to the World Bank and the Asian Development Bank totaling about \$900 million. That will allow them to provide new development loans.

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mainichi.jp/english/english/newsselect/news/20130131p2g00m0dm027000c.html