

Indonesia

Rehabilitation of Irrigation Schemes and Flood Alleviation Works Project



Komering-I irrigation facilities

Outline of Loan Agreement

Loan Amount / Disbursed Amount	21,518 million yen / 21,492 million yen
Loan Agreement	December 1989
Terms & Conditions	Interest rate 2.5%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	December 1996

Project Outline

The project involved the rehabilitation and additional construction of flood prevention and irrigation facilities on the islands of Sumatra and Java, targeting increased food production and the alleviation of flood damage.

Results and Evaluation

The project was a package comprising dredging to remove sedimentary earth and sand, and the rehabilitation of rivers for the flood control and irrigation facilities on the Ular River in Sumatra, and the flood control works on the Brantas River in Java, which were constructed using yen loans in the 1970s and 1980s. It also covered the rehabilitation of irrigation facilities on the upper reaches of the Komering River in Sumatra and the flood prevention project in East Jakarta. This highly mature, complex project was undertaken in order to promote comprehensive cooperation for the flood control and irrigation sector on Sumatra and Java, which was recognized as being a priority issue, and reports have evidenced that the irrigation works resulted in increases in rice production and farmer incomes. The Komering irrigation sub-project, which was particularly large-scale (20,000 hectares), is reported to have generated 1.6-fold increases in both the area of land under rice cultivation and yields, as compared to pre-project levels.

Moreover, since completion of the flood control works, no flood damage has occurred, with findings from interviews with residents in two locations revealing that the majority no longer feel threatened by floods.

Riverbed degradation and sand sedimentation at the site of irrigation and flood control works on the Ular River will affect the sustainability of the project effects, and plans for a Japan's ODA loan supported rehabilitation project are currently in the pipeline.