

Indonesia

Overall Ular River Improvement and Irrigation Project



Intake from Ular River

Outline of Loan Agreement

Loan Amount / Disbursed Amount	8,140 million yen / 7,498 million yen
Loan Agreement	May 1981
Terms & Conditions	Interest rate 2.5%p.a. Repayment period 30 years (Grace period 10 years)
Final Disbursement Date	November 1990

Project Outline

River improvement works were conducted on the Ular River in northern Sumatra in order to protect a 25,000 hectare area from flood damage, in conjunction with the rehabilitation of irrigation and drainage facilities with the aim of increasing rice production.

Results and Evaluation

The project covered river improvement works, including dredging and excavation, and the construction of embankments and revetments on a section of the Ular River approximately 34km from the river mouth. The other component covered construction and improvement of main and secondary irrigation canals, on-farm facilities, and intake structures (9) over an 18,500-hectare area of paddy fields. All work was completed by September 1990. No flooding has subsequently occurred. The annual cropping area has increased from the pre-project level of 24,000 hectares to approximately 31,000 hectares post completion, and rice yields have also grown from 82,000 tons/ha to 126,000 tons/ha. The interview survey also confirmed that riverside residents are now free from fear of flood damage. Many respondents also cited effects in terms of increases in on-farm income, improved land use, and the creation of job opportunities, indicating that the project has made a significant contribution to the regional economy.

Riverbed degradation has rendered it difficult to provide a stable supply of water, thus rehabilitation works will be implemented by Japan's ODA loan to improve operation and maintenance, which will cover construction of a fixed dam and link canals.